

## Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 30-20 – Regulations of the Board of Audiology and Speech-Language Pathology Department of Health Professions- Board of Audiology and Speech-Language Pathology July 28, 2011

#### **Summary of the Proposed Amendments to Regulation**

The Board of Audiology and Speech –Language Pathology (the Board) proposes to require 1) that speech language pathologists complete 12 hours of education on endoscopic procedures if they are interested in performing such procedures, 2) that speech language pathologists performing endoscopic procedures maintain a current certification in basic life support, 3) that successful performance of at least 25 flexible endoscopic procedures under supervision to be permitted to perform such procedures without supervision.

## **Result of Analysis**

There is insufficient data to accurately compare the magnitude of the benefits versus the costs. Detailed analysis of the benefits and costs can be found in the next section.

# **Estimated Economic Impact**

The Board proposes a few new regulatory requirements and numerous clarifying changes for speech language pathologists. The Board also proposes a grandfathering provision for persons who are currently practicing to continue their practice without meeting new requirements. So, the new requirements will apply to speech language pathologists who wish to perform endoscopic procedures after the effective date of these proposed changes.

One of the proposed changes will require that speech language pathologists complete 12 hours of education on endoscopic procedures if they are interested in performing such procedures. According to Department of Health Professions (DHP) endoscopic courses appear to cost approximately \$75 for 2-3 hours and \$380 for 10 hours. The proposed endoscopic courses can be counted toward existing continuing education requirements. Thus, this proposed change may or may not add to the compliance costs of speech language pathologists depending on

whether they use the proposed new education on endoscopic procedures in fulfillment of their continuing education requirements. Similarly, this change will add to the demand for endoscopic courses offered by approved providers. Whether or not this demand will add to the provider revenues will depend on whether the speech language pathologists will take these courses in addition to their regular continuing education courses or in lieu of the continuing education courses they are currently taking.

Another proposed change will require that speech language pathologists performing endoscopic procedures maintain a current certification in basic life support. According to DHP, while this is a new requirement for the speech language pathologists, most of them already maintain this certification because it is commonly required by health care institutions where speech language pathologists work. However, if a speech language pathologist is currently not required to maintain certification in basic life support by his or her employer, this proposed requirement is expected to create additional compliance costs. Initial certification or renewal which generally last two years is expected to cost approximately \$40 - \$60 in tuition, approximately 2 – 4 hours to complete the curriculum, travel time and travel expenses, and classroom supplies. Similarly, providers of basic life support training would see an increase in demand for their services proportional to the number of speech language pathologists who will have to maintain current certification due to this proposed change.

Another proposed change will require successful performance of at least 25 flexible endoscopic procedures under supervision to be permitted to perform such procedures without supervision. According to DHP, while this is a new requirement, a hospital would typically require 25 or more procedures to be preformed under supervision before it would credential a speech language pathologist to do endoscopic procedures. If all of the speech language pathologists complete at least 25 procedures under supervision, the proposed changes would not add to the compliance costs. However, if a speech language pathologist is currently required by his or her employer to complete less than 25 procedures, this proposed change represents additional costs that may be associated with performing additional procedures under supervision.

The main benefit of the proposed continuing education, maintaining certification in basic life support, and performing a specific number of endoscopic procedures is to make sure that

practitioners who are allowed to assist in evaluation of swallowing disorders are qualified and trained to deal with unexpected situations.

Remaining proposed changes include clarifications of current processes, policies, or statutory requirements. Since all of these requirements are currently enforced in practice, no significant economic effect is expected other than improving the clarity of the requirements processes, policies, or statutory requirements enforced under these regulations.

#### **Businesses and Entities Affected**

There are approximately 3,737 licensed speech language pathologists in Virginia. However, the number of speech language pathologists who may be interested in endoscopic procedures is expected to be small.

#### **Localities Particularly Affected**

The proposed regulations apply throughout the Commonwealth.

#### **Projected Impact on Employment**

If the speech language pathologists interested in endoscopic procedures are already meeting the proposed requirements on continuing education, maintaining certification in basic life support, and performing a specific number of endoscopic procedures, no significant effect on employment would be expected. If the proposed changes force them to take additional continuing education courses, obtain certification in basic life support, and perform additional number of endoscopic procedures, an increase in their compliance costs would be expected. If the increase in compliance costs is significant, a decrease in speech language pathologists' demand for labor may occur. On the other hand, an increase in demand for labor to provide additional continuing education, to obtain certification in basic life support, and to perform additional number of endoscopic procedures may also occur.

# **Effects on the Use and Value of Private Property**

Similarly, if the speech language pathologists are already meeting the proposed standards in the absence of regulations no effect on the asset value of their practices would be expected.

Otherwise, an increase in the compliance costs would decrease the asset value of their practices.

#### **Small Businesses: Costs and Other Effects**

According to DHP, speech language pathologists typically work in large school or hospital systems or as a part of a physician practice. However, for those speech language pathologist practices that may be considered as small business, the proposed changes would introduce costs and other effects unless they already meet the proposed standards.

### **Small Businesses: Alternative Method that Minimizes Adverse Impact**

There is no known alternative method that minimizes the adverse impact while accomplishing the same goals.

### **Real Estate Development Costs**

No impact on real estate development costs is expected.

#### **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 107 (09). 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.