

Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes  Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



## Virginia Department of Planning and Budget Economic Impact Analysis

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### **18 VAC 115-30 Regulations Governing the Certification of Substance Abuse Counselors and Substance Abuse Counseling Assistants**

### **18 VAC 115-40 Regulations Governing the Certification of Rehabilitation Providers Department of Health Professions**

**Town Hall Action/Stage: 4366/7231**

August 3, 2015

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

The Board of Counseling (Board) proposes to require applicants for substance abuse counselor or rehabilitation provider certification submit a current report from the U.S. Department of Health and Human Services National Practitioner Data Bank (NPDB). The Board also proposes to remove obsolete provisions and amend language for improved clarity.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

The NPDB is an electronic information repository created by Congress. It contains information on medical malpractice payments and certain adverse actions related to health care practitioners, entities, providers, and suppliers.<sup>1</sup> Section 150 of the Regulations Governing the Certification of Substance Abuse Counselors and Substance Abuse Counseling Assistants and Section 50 of the Regulations Governing the Certification of Rehabilitation Providers list the grounds on which to deny certification, including various actions that would endanger persons receiving services from substance abuse counselors or rehabilitation providers. The NDPB

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<sup>1</sup> Source: U.S. Department of Health & Human Services

includes findings of past activities that may have endangered the health, safety, or welfare of patients. Thus the proposal to require that applicants submit a current report of the NPDB has potential significant benefit. According to the Virginia Department of Health Professions (DHP) the cost for applicants to have the report sent from the U.S. Department of Health and Human Services to DHP is only \$3. Thus the benefit of the proposal likely exceeds the cost.

### **Businesses and Entities Affected**

The proposed amendments affect applicants for substance abuse counselor or rehabilitation provider certification. Approximately 100 to 125 individuals apply for substance abuse counselor certification and less than 5 people apply for rehabilitation provider certification annually.<sup>2</sup>

### **Localities Particularly Affected**

The proposed amendments do not disproportionately affect particular localities.

### **Projected Impact on Employment**

The proposed amendments are unlikely to significantly affect employment.

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

The proposed amendments are unlikely to significantly affect the use and value of private property.

### **Real Estate Development Costs**

The proposed amendments do not affect real estate development costs.

### **Small Businesses:**

#### **Definition**

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

#### **Costs and Other Effects**

The proposed amendments will not significantly affect small businesses.

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<sup>2</sup> Source: Virginia Department of Health Professions

### **Alternative Method that Minimizes Adverse Impact**

The proposed amendments will not significantly affect small businesses.

#### **Adverse Impacts:**

##### **Businesses:**

The proposed amendments will not significantly affect businesses.

##### **Localities:**

The proposed amendments will not adversely affect localities.

##### **Other Entities:**

The proposed amendments will not significantly affect other entities.

#### **Legal Mandates**

**General:** The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

**Adverse impacts:** Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.

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