



Virginia Department of Planning and Budget **Economic Impact Analysis**

18 VAC 85-50 Regulations Governing the Practice of Physician Assistants
Department of Health Professions
Town Hall Action/Stage: 5357 / 8839
February 13, 2020

Summary of the Proposed Amendments to Regulation

The Board of Medicine (Board) proposes to revise the regulation to reflect new legislation that revised the practice relationship between a physician assistant and a physician or a podiatrist, and to repeal an obsolete fee.

Background

This action results from Chapters 92¹ and 137² of the 2019 Acts of the Assembly that changed how physician assistants practice, from practicing under the supervision of a physician or podiatrist to practicing as part of a patient care team. The legislation established “a patient care team model” where the focus of the relationship is on collaboration and consultation rather than supervision. In the new model, the role of the patient care team physician or podiatrist is to provide management and leadership to a physician assistant in the care of patients as part of a patient care team.

Estimated Benefits and Costs

According to the Department of Health Professions (DHP), the patient care team model affords more discretion to the physician assistants as the focus of the relationship has shifted from supervision to collaboration and consultation under the new legislation. Otherwise, the change does not substantially alter the practice model for physician assistants and physicians as they are currently employed. Since there are no significant differences in the way physician

¹ <http://lis.virginia.gov/cgi-bin/legp604.exe?191+ful+CHAP0092>.

² <http://lis.virginia.gov/cgi-bin/legp604.exe?191+ful+CHAP0137>.

assistants and doctors practice, the main benefit of this change is clarity and consistency of the regulation with the statute.

The Board also proposes to repeal obsolete language requiring a \$15 fee for the review and approval of new protocols that are submitted following initial licensure. This fee has not been enforced in practice following the passage of Chapter 450 of the 2016 Acts of Assembly³ that required only “*Evidence of a practice agreement shall be maintained by the physician assistant and provided to the Board upon request,*” but it has been inadvertently left in the regulatory text since then. The main benefit of this change is the removal of inaccurate language from the regulatory text.

Businesses and Other Entities Affected

The proposed amendments affect physicians and physician assistants entering into professional collaboration and a consultation relationship. There are 38,947 doctors of medicine and surgery, 3,834 doctors of osteopathic medicine, 553 doctors of podiatry, and 4,224 physician assistants. None of these entities appears to be disproportionately affected.

Small Businesses⁴ Affected:

The proposed amendments do not appear to adversely affect small businesses.

Localities⁵ Affected⁶

The proposed amendments potentially affect physicians and physician assistants entering into professional collaboration and consultation relationship in all 132 localities. The proposed amendments do not introduce costs for local governments. Accordingly, no additional funds would be required.

Projected Impact on Employment

The proposed amendments do not appear to affect total employment.

Effects on the Use and Value of Private Property

The proposed amendments do not affect real estate development costs.

³ <http://lis.virginia.gov/cgi-bin/legp604.exe?161+ful+CHAP0450>.

⁴ 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.”

⁵ “Locality” can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

⁶ § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.

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 14 (as amended, July 16, 2018). 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(D): 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.