



Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 110-20 – Regulations Governing the Practice of Pharmacy
Department of Health Professions
May 7, 2010

Summary of the Proposed Amendments to Regulation

The Board of Pharmacy proposes to no longer require that at the time of loading automated drug dispensing devices in hospitals, that the delivery record for all Schedule II through V drugs be signed by a nurse or other person authorized to administer drugs from that specific device.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Pursuant to sections 54.1-3301, 54.3401, and 54.1-3434.02 of the Code of Virginia and under specified conditions, hospitals may use automated devices for the dispensing and administration of drugs. One of the conditions under the current regulations is as follows: “At the time of loading, the delivery record for all Schedule II through V drugs shall be signed by a nurse or other person authorized to administer drugs from that specific device, and the record returned to the pharmacy.” The Board proposes to eliminate this condition. According to the Department of Health Professions, hospital pharmacies utilize activity reports to verify that medications were actually loaded into the devices and those reports provide a reliable source of accountability. Further, the time that nurses currently spend signing these records could be more productively used by providing direct care to patients. Thus the proposal to eliminate the nurse signature requirement should provide a net benefit.

Businesses and Entities Affected

The proposed elimination of the nurse signature requirement affects hospital pharmacies and nurses whose work currently involves interactions with hospital pharmacies, as well as hospital patients.

Localities Particularly Affected

The proposed amendment does not disproportionately affect particular localities.

Projected Impact on Employment

The proposed elimination of the nurse signature requirement is unlikely to significantly affect total employment, but will allow nurses to use their time more productively.

Effects on the Use and Value of Private Property

The proposed elimination of the nurse signature requirement will allow nurses to use their time more productively at private hospitals (as well as at public hospitals).

Small Businesses: Costs and Other Effects

The proposed amendments do not significantly affect small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendments do not significantly affect small businesses.

Real Estate Development Costs

The proposed amendments do not significantly affect real estate development costs.

Legal Mandate

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.04 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 2.2-4007.04 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.