

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

18 VAC 140-20 Regulations Governing the Practice of Social Work
Department of Health Professions
Town Hall Action/Stage: 5011/8230
April 9, 2018

Summary of the Proposed Amendments to Regulation

The Board of Social Work (Board) proposes to allow an applicant to retake the social worker or clinical social worker licensing examination as many times as the applicant wishes within two two-year periods before he or she has to complete an extra year of supervised practice.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Originally, an applicant for a social worker or clinical social worker license was allowed a two-year period in which to pass the licensing exam without being required to register for supervision for an additional year. In a recent action¹ the Board inadvertently reduced the two-year window by limiting the number of times an applicant can retake the exam to only two attempts. For example, under the recently amended language an applicant who fails the exam twice within the first six months of the two-year period is required to register for supervision. The board proposes to remove the two-exam limitation and allow an additional two-year period to pass the exam before the supervision requirement is triggered. Under the proposed change,

¹ <http://townhall.virginia.gov/ViewStage.cfm?stageid=7381>

applicants will be allowed to take the licensure exam as many times as they like over a four-year window. The exam is offered 4 times a year, or 16 times over 4 years.²

The proposed change is beneficial to the applicants. The applicants will have up to 14 more times to pass the exam prior to triggering the supervision requirement. More chances to retake the exam will reduce the likelihood of having to obtain one additional year of supervised experience. Obtaining supervised experience could be costly. Some workplaces such as government agencies, hospitals, or schools may be providing free supervision; but at workplaces that do not, the applicant must find a supervisor and must pay for it. Online research³ indicates that supervisors usually charge about the same as their hourly therapy rate, which ranges from \$100 to \$150, but also provide group supervision to up to five supervisees at \$35 to \$50 per person. An applicant is required to obtain at least one hour of supervision for every 40 hours of experience, or 50 hours per year allowing for vacation. The cost of obtaining 50 hours of supervision at \$35 per hour and \$150 per hour would be \$1,750 and \$7,500 respectively. Thus, the proposed regulation will benefit those who pass the exam after the first two attempts.

In addition, according to the Department of Health Professions, passage of the examination, graduation from an accredited school of social work, and supervised experience - all together would still demonstrate minimal competency. Thus, the proposed regulation should produce a net benefit.

Businesses and Entities Affected

Applicants for licensure as a social worker or a clinical social worker, and their potential supervisors, are potentially affected by the proposed amendment. Since the beginning of 2018, two candidates who failed the exam twice were required to obtain an additional year of supervision.

Last year 367 individuals passed the exam and were consequently licensed in Virginia. Information from the Association of Social Work Boards indicates that in 2016 the passage rate for first time test takers was 78% nationally, and ranged among the three Virginia schools from 47% to 90%. The passage rate for repeat test takers was 36% and ranged from 14% to 41% among Virginia schools.

² Source: Department of Health Professions

³ See for example <https://socialworklicensure.org/articles/social-work-supervision>, accessed on March 29, 2018.

Localities Particularly Affected

The proposed amendment does not affect any particular locality more than others.

Projected Impact on Employment

The proposed change will increase the chances of an applicant obtaining a license without an additional year of supervision. Thus, this action will allow affected individuals to practice their social work profession sooner, but at the same time reduce demand for supervision. Given that only two people were affected since the beginning of 2018, no significant impact on employment is likely.

Effects on the Use and Value of Private Property

No significant effect on the use and value of private property is expected.

Real Estate Development Costs

No impact on real estate development costs is expected.

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 amendment does not significantly affect small businesses.

Alternative Method that Minimizes Adverse Impact

The proposed amendment does not have costs and other effects on small businesses.

Adverse Impacts:**Businesses:**

The proposed amendment does not have adverse impacts on businesses.

Localities:

The proposed amendment will not adversely affect localities.

Other Entities:

The proposed amendment will not adversely 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.