



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

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**1 VAC 55-20 – Commonwealth of Virginia Health Benefits Program**  
**Department of Human Resource Management**  
October 23, 2013

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

The Department of Human Resource Management (Department) proposes to amend language in the Commonwealth of Virginia Health Benefits Program regulations in order to make clarifications, update definitions, and bring consistency with the Code of Virginia and federal law.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

The Board's proposed language amendments do not change any requirements in practice. Thus, the proposed amendments will have no impact beyond providing a small benefit through a potential reduction in confusion concerning the requirements by readers of the regulations.

### **Businesses and Entities Affected**

The regulations affect current and retired employees of the Commonwealth, and current and retired employees of local Virginia jurisdictions that participate in the Commonwealth of Virginia's The Local Choice health benefits program, as well as health insurance firms.

### **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.

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

The proposed amendments are unlikely to significantly affect small businesses.

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

The proposed amendments are unlikely to significantly affect small businesses.

## **Real Estate Development Costs**

The proposed amendments are unlikely to 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 14 (10). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, a determination of the public benefit, 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 an 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.