



Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 112 - 20 – Regulations Governing the Practice of Physical Therapy
Department of Health Professions
March 28, 2013

Summary of the Proposed Amendments to Regulation

Under the current regulations, the Board of Physical Therapy (Board) accepts continuing education courses from a variety of organizations. If the provider (or approving organization) is a health care organization, the current regulations require that the organization be accredited by the Joint Commission on Accreditation of Healthcare Organizations. The Board proposes to instead accept courses from (or approved by) health care organizations accredited by “a national accrediting organization granted authority by the Centers for Medicare and Medicaid Services to assure compliance with Medicare conditions of participation.”

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

These regulations require that physical therapists and physical therapist assistants complete at least 30 contact hours of continuing learning activities every two years in order to maintain active licensure. At least 15 of those hours for physical therapists and 10 of those hours for physical therapist assistants must be in face-to-face courses. The current regulations require that the courses be approved or provided by one of the following organizations or any of its components:

- a. The Virginia Physical Therapy Association;
- b. The American Physical Therapy Association;
- c. Local, state or federal government agencies;

- d. Regionally accredited colleges and universities;
- e. Health care organizations accredited by the Joint Commission on Accreditation of Healthcare Organizations;
- f. The American Medical Association - Category I Continuing Medical Education course; and
- g. The National Athletic Trainers Association.

The Board proposes to delete “the Joint Commission on Accreditation of Healthcare Organizations (JCAHO)” and replace it with “a national accrediting organization granted authority by the Centers for Medicare and Medicaid Services to assure compliance with Medicare conditions of participation.”

A petition for rulemaking was filed by a physical therapist on behalf of Sentara health care system which is moving to accreditation by Det Norske Veritas (DNV) rather than JCAHO. Therefore, recognizing only JCAHO prohibits the Board from accepting continuing education courses offered by Sentara entities for their employees. DNV is a national accrediting organization granted authority by the Centers for Medicare and Medicaid Services (CMS) to assure compliance with Medicare conditions of participation.¹ Other accrediting bodies that have been deemed as meeting CMS standards for accreditation are also excluded under the current language. By enabling the Board to approve courses from additional entities which are deemed to meet the same standard of quality will reduce costs for some physical therapists and physical therapist assistants without presumably compromising the quality of training. For example, the Department of Health Professions believes the proposed change will enable some physical therapists and physical therapist assistants to obtain qualifying continuing education at no cost as part of in-service training that would not have qualified as hours toward license renewal under the current regulations. Therefore the proposed amendment will likely provide a net benefit.

¹ Source: Centers for Medicare and Medicaid Services

Businesses and Entities Affected

There are 6090 licensed physical therapists and 2460 licensed physical therapist assistants in the Commonwealth.² Most work in health care organizations or school systems. Most of the businesses would qualify as small businesses.

Localities Particularly Affected

The proposed amendments do not disproportionately affect particular localities.

Projected Impact on Employment

The proposed amendments are unlikely to significantly affect total employment. There may be a small shift in demand among providers of continuing education; but this would not likely affect total employment.

Effects on the Use and Value of Private Property

The proposed amendment may cause a small shift in demand among providers of continuing education; this may cause a moderate increase in value for those that receive greater demand and a moderate decrease in value for those that receive less demand. Some physical therapists, physical therapist assistants, and their employers will benefit from potentially reduced continuing education costs.

Small Businesses: Costs and Other Effects

The proposed amendments will not increase costs for small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendments will not adversely impact small businesses as a whole. Some providers of continuing education may lose demand for their services to others, while potential costs for those that employ physical therapists and physical therapist assistants may be reduced.

Real Estate Development Costs

The proposed amendments will not affect real estate development costs.

² Source: Department of Health Professions

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.