



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

18 VAC 85-20 Regulations Governing the Practice of Medicine, Osteopathic Medicine, Podiatry, and Chiropractic
Department of Health Professions
Town Hall Action/Stage: 6634 / 10546
August 22, 2025

The Department of Planning and Budget (DPB) 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 19. The analysis presented below represents DPB's best estimate of the potential economic impacts as of the date of this analysis.¹

Summary of the Proposed Amendments to Regulation

The Board of Medicine (Board) proposes to remove the requirement that applicants for reinstatement of licensure whose license has been lapsed for two successive years or more, and applicants for reactivation of an inactive license, provide documentation that continuing competency hours have been completed. The Board would instead accept attestation that the continuing competency hours have been completed, as it already does for renewal of active licenses.

Background

Under the current regulation, applicants for reinstatement (when the license has been lapsed for two successive years or more) or reactivation must provide documentation to show that they have completed their required amount of continued competency hours. Also under the current regulation, active licensees must attest to having completed their required number of

¹ Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the analysis 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.

hours of continuing learning activities, but do not need to provide documentation. The Board's proposal is to no longer require documentation of completion of the hours from the applicants for reinstatement or reactivation. The Board would instead require attestation, as is currently the case for license renewal.

Estimated Benefits and Costs

The proposal would be beneficial for individuals seeking licensure reinstatement (when the license has been lapsed for two successive years or more) or reactivation in that it would save such individuals the time needed to gather and send continuing competency documentation.

Businesses and Other Entities Affected

The proposed amendments would apply to physicians, podiatrists, and chiropractors who seek to reactivate their current inactive license or who are seeking reinstatement of a license that has been lapsed for two successive years or more. According to DHP, there are currently 1,331 Doctors of Medicine, 92 Doctors of Osteopathic Medicine, 27 Doctors of Podiatric Medicine, and 85 Doctors of Chiropractic with inactive Board licenses.

The Code of Virginia requires DPB to assess whether an adverse impact may result from the proposed regulation.² An adverse impact is indicated if there is any increase in net cost or reduction in net benefit for any entity, even if the benefits exceed the costs for all entities combined.³ The proposed amendment neither increases net costs nor reduces net benefit. Thus, no adverse impact is indicated.

Small Businesses⁴ Affected:⁵

The proposed amendments do not adversely affect small businesses.

² 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.

³ Statute does not define "adverse impact," state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation. As a result, DPB has adopted a definition of adverse impact that assesses changes in net costs and benefits for each affected Virginia entity that directly results from discretionary changes to the regulation.

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 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

Localities⁶ Affected⁷

The proposed amendments neither disproportionately affect particular localities, nor increase costs for local governments.

Projected Impact on Employment

The proposed amendments are unlikely to substantively affect employment.

Effects on the Use and Value of Private Property

Firms that employ practitioners who are seeking to reinstate or reactivate their license may have such employees return to or start work moderately sooner in that their licensure reinstatement or reactivation applications could be deemed complete sooner without the documentation requirement. The proposed amendments do not affect real estate development costs.

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.

⁶ “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.

⁷ § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.