Office of Regulatory Management

Economic Review Form

Agency name	State Board of Health
Virginia Administrative Code (VAC) Chapter citation(s)	12VAC5-410-10 *et seq.*
VAC Chapter title(s)	Regulations for the Licensure of Hospitals in Virginia
Action title	Amend Regulation to Conform to Chapters 219, 233, and 525 of the 2021 Acts of Assembly, Special Session I
Date this document prepared	September 8, 2022

Cost Benefit Analysis

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

(1) Direct Costs & Benefits	• Hospitals must have a protocol to allow patients to receive visits from a clergy of any religious denomination or sect during public health emergencies related to communicable diseases Direct Costs: $1,250 per hospital, which VDH estimates to be 170. Direct Benefits: VDH is not aware of any quantifiable direct benefits at time. • Hospitals must establish and implement policies related to patient access and use of intelligent personal assistants Direct Costs: $5,000 per hospital, which VDH estimates to be 105. Direct Benefits: VDH is not aware of any quantifiable direct benefits at time. • Hospitals with emergency departments (EDs) must amend their protocols for substance use-related emergencies to incorporate new statutory minimums such as referrals to providers of pharmacotherapy for the treatment of drug or alcohol dependence or mental health diagnoses and expanding what information and access is provided about opioid antagonists Direct Costs: $1,250 per hospital with an ED, which VDH estimates to be 104. Direct Benefits: VDH is not aware of any quantifiable direct benefits at time.

(2) Quantitative Factors	Estimated Dollar Amount	Present Value	
Direct Costs	(a) $867,500	(c) $867,500	
Direct Benefits	(b) $0	(d) $0	
(3) Benefits-Costs Ratio	0.00	(4) Net Benefit	-$867,500
(5) Indirect Costs & Benefits	VDH is not aware of any quantifiable indirect costs. VDH is not aware of any quantifiable indirect benefits.		
(6) Information Sources	Virginia Department of Health Office of Licensure and Certification Division of Acute Care Services (staff estimate it would cost $1,250 one time for a hospital to amend existing policies to conform to the regulatory minimums and would cost $5,000 one time for a hospital to develop new policies)		
(7) Optional	VDH has numerous challenges and constraints that limit a cost benefit analysis, including limited data availability, limited statutory discretion, and insufficient analytical models. From a qualitative perspective, access to clergy are that spiritual support during end-of-life care can improve patient well-being by alleviating or reducing anger, fear, or depression and that both patients and their family members can receive assistance in processing grief before, during, and after death. Additionally, intelligent personal assistants are often utilized by persons with disabilities and the elderly to access information or stay connected with friends and family. Finally, the changes to protocols for substance use-related emergencies improve the likelihood of positive outcomes for individuals experiencing a substance use-related emergency, as the changes are based on recommended best practices. The regulatory change is designed to conform the regulation to the Code of Virginia.		

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct Costs & Benefits	The changes being made by this regulatory action are non-discretionary.	
(2) Quantitative Factors	Estimated Dollar Amount	Present Value

Direct Costs	(a) See response to (1) above	(c) See response to (1) above	
Direct Benefits	(b) See response to (1) above	(d) See response to (1) above	
(3) Benefits-Costs Ratio	See response to (1) above	(4) Net Benefit	See response to (1) above
(5) Indirect Costs & Benefits	See response to (1) above		
(6) Information Sources	See response to (1) above		
(7) Optional	See response to (1) above		

Table 1c: Costs and Benefits under an Alternative Approach

(1) Direct Costs & Benefits	The changes being made by this regulatory action are non-discretionary.		
(2) Quantitative Factors	Estimated Dollar Amount	Present Value	
Direct Costs	(a) See response to (1) above	(c) See response to (1) above	
Direct Benefits	(b) See response to (1) above	(d) See response to (1) above	
(3) Benefits-Costs Ratio	See response to (1) above	(4) Net Benefit	See response to (1) above
(5) Indirect Costs & Benefits	See response to (1) above		
(6) Information Sources	See response to (1) above		
(7) Optional	See response to (1) above		

Impact on Local Partners

Table 2: Impact on Local Partners

(1) Direct Costs & Benefits	• Hospitals must have a protocol to allow patients to receive visits from a clergy of any religious denomination or sect during public health emergencies related to communicable diseases Direct Costs: $1,250 per hospital, which VDH estimates to be 2 operated by local partners. Direct Benefits: VDH is not aware of any quantifiable direct benefits at time. • Hospitals must establish and implement policies related to patient access and use of intelligent personal assistants Direct Costs: $5,000 per hospital, which VDH estimates to be 2 operated by local partners. Direct Benefits: VDH is not aware of any quantifiable direct benefits at time. • Hospitals with emergency departments (EDs) must amend their protocols for substance use-related emergencies to incorporate new statutory minimums such as referrals to providers of pharmacotherapy for the treatment of drug or alcohol dependence or mental health diagnoses and expanding what information and access is provided about opioid antagonists Direct Costs: $1,250 per hospital with an ED, which VDH estimates to be 2 operated by local partners. Direct Benefits: VDH is not aware of any quantifiable direct benefits at time.
(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a) $15,000
Direct Benefits	(b) $15,000
(3) Indirect Costs & Benefits	VDH is not aware of any quantifiable indirect costs. VDH is not aware of any quantifiable indirect benefits.

(4) Information Sources	Virginia Department of Health Office of Licensure and Certification Division of Acute Care Services (staff estimate it would cost $1,250 one time for a hospital to amend existing policies to conform to the regulatory minimums and would cost $5,000 one time for a hospital to develop new policies)
(5) Assistance	No funding, training, or other technical implementation assistance has been funded to assist local partners in complying with the changes in this regulatory action.
(6) Optional	VDH has numerous challenges and constraints that limit a cost benefit analysis, including limited data availability, limited statutory discretion, and insufficient analytical models. From a qualitative perspective, access to clergy are that spiritual support during end-of-life care can improve patient well-being by alleviating or reducing anger, fear, or depression and that both patients and their family members can receive assistance in processing grief before, during, and after death. Additionally, intelligent personal assistants are often utilized by persons with disabilities and the elderly to access information or stay connected with friends and family. Finally, the changes to protocols for substance use-related emergencies improve the likelihood of positive outcomes for individuals experiencing a substance use-related emergency, as the changes are based on recommended best practices. The regulatory change is designed to conform the regulation to the Code of Virginia.

Economic Impacts on Families

Table 3: Impact on Families

(1) Direct Costs & Benefits	Families will not incur any direct costs or benefits of the regulatory change as they are not subject to the mandates contained in this regulatory action.
(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a) $0
Direct Benefits	(b) $0

(3) Indirect Costs & Benefits	VDH is not aware of any quantifiable indirect costs. VDH is not aware of any quantifiable indirect benefits.
(4) Information Sources	Virginia Department of Health Office of Licensure and Certification Division of Acute Care Services (staff estimate it would cost $1,250 one time for a hospital to amend existing policies to conform to the regulatory minimums and would cost $5,000 one time for a hospital to develop new policies)
(5) Optional	VDH has numerous challenges and constraints that limit a cost benefit analysis, including limited data availability, limited statutory discretion, and insufficient analytical models. From a qualitative perspective, access to clergy are that spiritual support during end-of-life care can improve patient well-being by alleviating or reducing anger, fear, or depression and that both patients and their family members can receive assistance in processing grief before, during, and after death. Additionally, intelligent personal assistants are often utilized by persons with disabilities and the elderly to access information or stay connected with friends and family. Finally, the changes to protocols for substance use-related emergencies improve the likelihood of positive outcomes for individuals experiencing a substance use-related emergency, as the changes are based on recommended best practices. The regulatory change is designed to conform the regulation to the Code of Virginia.

<u>Impacts on Small Businesses</u>

Table 4: Impact on Small Businesses

(1) Direct Costs & Benefits	• Hospitals must have a protocol to allow patients to receive visits from a clergy of any religious denomination or sect during public health emergencies related to communicable diseases Direct Costs: $1,250 per hospital, of which VDH estimates 3 would be small businesses. Direct Benefits: VDH is not aware of any quantifiable direct benefits at time. • Hospitals must establish and implement policies related to patient access and use of intelligent personal assistants

	Direct Costs: $5,000 per hospital, of which VDH estimates zero would be small businesses. Direct Benefits: VDH is not aware of any quantifiable direct benefits at time. • Hospitals with emergency departments (EDs) must amend their protocols for substance use-related emergencies to incorporate new statutory minimums such as referrals to providers of pharmacotherapy for the treatment of drug or alcohol dependence or mental health diagnoses and expanding what information and access is provided about opioid antagonists Direct Costs: $1,250 per hospital with an ED, of which VDH estimates zero would be small businesses. Direct Benefits: VDH is not aware of any quantifiable direct benefits at time.
(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a) $3,750
Direct Benefits	(b) $0
(3) Indirect Costs & Benefits	VDH is not aware of any quantifiable indirect costs. VDH is not aware of any quantifiable indirect benefits.
(4) Alternatives	Because the changes being made by this regulatory action are non-discretionary, there were no alternatives for the State Board of Health (Board) to consider. The Board is required to regulate the licensure of hospitals consistent with the provisions of Article 1 (§32.1-123 *et seq.*) of Chapter 5 of Title 32.1 of the Code of Virginia.
(5) Information Sources	Virginia Department of Health Office of Licensure and Certification Division of Acute Care Services (staff estimate it would cost $1,250 one time for a hospital to amend existing policies to conform to the regulatory minimums and would cost $5,000 one time for a hospital to develop new policies)

(6) Optional	VDH has numerous challenges and constraints that limit a cost benefit analysis, including limited data availability, limited statutory discretion, and insufficient analytical models. From a qualitative perspective, access to clergy are that spiritual support during end-of-life care can improve patient well-being by alleviating or reducing anger, fear, or depression and that both patients and their family members can receive assistance in processing grief before, during, and after death. Additionally, intelligent personal assistants are often utilized by persons with disabilities and the elderly to access information or stay connected with friends and family. Finally, the changes to protocols for substance use-related emergencies improve the likelihood of positive outcomes for individuals experiencing a substance use-related emergency, as the changes are based on recommended best practices. The regulatory change is designed to conform the regulation to the Code of Virginia.

Changes to Number of Regulatory Requirements

Table 5: Total Number of Requirements

	Number of Requirements			
Chapter number	**Initial Count**	**Additions**	**Subtractions**	**Net Change**
410	3,841	5	0	5