



Economic Impact Analysis Virginia Department of Planning and Budget

12 VAC 5-410 –Rules and Regulations for the Licensure of Hospitals Virginia Department of Health July 5, 2005

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.G of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.G requires that such economic impact analyses include, but need not be limited to, 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. The analysis presented below represents DPB's best estimate of these economic impacts.

Summary of the Proposed Regulation

The proposed amendments will require circulating nurses to have education and experience in perioperative nursing.

Estimated Economic Impact

Due to a petition for rulemaking received from the Virginia Council for periOperative Nurses, the Virginia Department of Health (the department) proposes to require that a circulating nurse be a registered nurse and have education and experience in perioperative nursing. According to the department, all circulating nurses are registered nurses in practice, but are not specifically required to have education and experience in perioperative nursing. Thus, the real impact of this change is requiring that a circulating nurse have education and training in perioperative nursing. In addition, the department estimates that approximately 98% of the circulating nurses already have adequate education and experience in perioperative nursing. The number of circulating nurses in Virginia is estimated to be around 2,000. Thus, the proposed

regulations will require inpatient hospitals and outpatient surgery centers to provide perioperative nursing education and training to approximately 40 circulating nurses in Virginia.

The economic costs of this proposal include fiscal costs associated with educational materials, instructor salaries, and space for training. In addition, the nurse time devoted for training and experience should be considered as costs. On the other hand, the training and education are expected to improve the perioperative nursing skills of registered nurses and improve the safety of the operating room environment and contribute to patient health. Furthermore, registered nurses with additional skills and experience may be able to improve their job security and compensation. However, there is no data available to measure any of the potential costs and benefits of this proposed change.

Businesses and Entities Affected

The proposed regulations will require 94 hospitals and 41 outpatient surgery centers to make sure that approximately 2,000 circulating nurses in Virginia have training and education in perioperative nursing. Of the 2,000 circulating nurses, only 40 may currently lack the training and education in perioperative nursing.

Localities Particularly Affected

The proposed regulations apply throughout the Commonwealth.

Projected Impact on Employment

No significant impact on employment is expected.

Effects on the Use and Value of Private Property

The proposed regulations are not expected to have any significant impact on the use and value of private property.

Small Businesses: Costs and Other Effects

The proposed regulation should not create administrative or other effects on the small businesses as it applies to inpatient hospitals and outpatient surgery centers.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed regulations should not affect small businesses.