

Office of Regulatory Management  
Economic Review Form

|                                                                    |                                                                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Agency name</b>                                                 | DEPARTMENT OF MEDICAL ASSISTANCE SERVICES                                                                                                                                                                                                                                                                                                                                               |
| <b>Virginia Administrative Code (VAC) Chapter citation(s)</b>      | 12VAC30-20-110, 12VAC30-20-272, 12VAC30-20-274, 12VAC30-20-275, 12VAC30-20-277, 12VAC30-20-278                                                                                                                                                                                                                                                                                          |
| <b>VAC Chapter title(s)</b>                                        | Nursing facility resident drug utilization review; Survey and certification education program; Process for the investigation of allegations of resident neglect and abuse and misappropriation of resident property; Procedures for scheduling and conduct of standards surveys; Programs to measure and reduce inconsistency; Process for investigations of complaints and monitoring. |
| <b>Action title</b>                                                | Repeal of Nursing Facility-Specific Drug Utilization Review and Updates to Nursing Facility Survey and Certification                                                                                                                                                                                                                                                                    |
| <b>Date this document prepared</b>                                 | May 6, 2026                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Regulatory Stage (including Issuance of Guidance Documents)</b> | Fast-Track                                                                                                                                                                                                                                                                                                                                                                              |

### **Cost Benefit Analysis**

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

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

|                                                    |                                                                                                                                                                           |                            |
|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | There are no direct or indirect costs associated with this regulation change. The benefit is that DMAS regulations will be up-to-date and will align with the State Plan. |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs                                                                                                                                                   | Direct & Indirect Benefits |
|                                                    | (a)                                                                                                                                                                       | (b)                        |
| (3) Net Monetized Benefit                          |                                                                                                                                                                           |                            |
| (4) Other Costs & Benefits (Non-Monetized)         |                                                                                                                                                                           |                            |
| (5) Information Sources                            |                                                                                                                                                                           |                            |

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

|                                                    |                                                                                                                                                                                                                                                                                                                                                           |                            |
|----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | There are no costs or benefits to the status quo. DMAS regulations as it relates to nursing facility-specific drug utilization review will not be current, and references to the Division of Licensure and Certification (now Office of Licensure and Certification) will not be accurate and aligned with the State Plan if no regulatory action occurs. |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs                                                                                                                                                                                                                                                                                                                                   | Direct & Indirect Benefits |
|                                                    | (a)                                                                                                                                                                                                                                                                                                                                                       | (b)                        |
| (3) Net Monetized Benefit                          |                                                                                                                                                                                                                                                                                                                                                           |                            |
| (4) Other Costs & Benefits (Non-Monetized)         |                                                                                                                                                                                                                                                                                                                                                           |                            |
| (5) Information Sources                            |                                                                                                                                                                                                                                                                                                                                                           |                            |

**Table 1c: Costs and Benefits under Alternative Approach(es)**

|                                                    |                                                                |                            |
|----------------------------------------------------|----------------------------------------------------------------|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | There are no alternative approaches to this regulatory action. |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs                                        | Direct & Indirect Benefits |
|                                                    | (a)                                                            | (b)                        |
| (3) Net Monetized Benefit                          |                                                                |                            |
| (4) Other Costs & Benefits (Non-Monetized)         |                                                                |                            |
| (5) Information Sources                            |                                                                |                            |

**Impact on Local Partners**

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 2: Impact on Local Partners**

|                                                    |                                                                                                   |                            |
|----------------------------------------------------|---------------------------------------------------------------------------------------------------|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | Local partners will not incur any direct costs or benefits as a result of this regulatory action. |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs                                                                           | Direct & Indirect Benefits |
|                                                    | (a)                                                                                               | (b)                        |
| (3) Other Costs & Benefits (Non-Monetized)         |                                                                                                   |                            |
| (4) Assistance                                     |                                                                                                   |                            |
| (5) Information Sources                            |                                                                                                   |                            |

**Impacts on Families**

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 3: Impact on Families**

|                                                    |                                                                                 |                            |
|----------------------------------------------------|---------------------------------------------------------------------------------|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | Families will not incur any direct costs as a result of this regulatory change. |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs                                                         | Direct & Indirect Benefits |
|                                                    | (a)                                                                             | (b)                        |
| (3) Other Costs & Benefits (Non-Monetized)         |                                                                                 |                            |
| (4) Information Sources                            |                                                                                 |                            |

**Impacts on Small Businesses**

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 4: Impact on Small Businesses**

|                                                    |                                                                                  |                            |
|----------------------------------------------------|----------------------------------------------------------------------------------|----------------------------|
| (1) Direct & Indirect Costs & Benefits (Monetized) | Small businesses will not incur any costs as a result of this regulatory change. |                            |
| (2) Present Monetized Values                       | Direct & Indirect Costs                                                          | Direct & Indirect Benefits |
|                                                    | (a)                                                                              | (b)                        |
| (3) Other Costs & Benefits (Non-Monetized)         |                                                                                  |                            |
| (4) Alternatives                                   |                                                                                  |                            |

|                         |  |
|-------------------------|--|
| (5) Information Sources |  |
|-------------------------|--|

### **Changes to Number of Regulatory Requirements**

**Table 5: Regulatory Reduction**

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

#### *Change in Regulatory Requirements*

| <b>VAC Section(s) Involved*</b>                | <b>Authority of Change</b> | <b>Initial Count</b> | <b>Additions</b> | <b>Subtractions</b> | <b>Total Net Change in Requirements</b> |
|------------------------------------------------|----------------------------|----------------------|------------------|---------------------|-----------------------------------------|
| 12VAC30-20-110                                 | <b>(M/A):</b>              | <b>14</b>            | 0                | -14                 | -14                                     |
|                                                | <b>(D/A):</b>              | <b>2</b>             | 0                | -2                  | -2                                      |
|                                                | <b>(M/R):</b>              |                      |                  |                     |                                         |
|                                                | <b>(D/R):</b>              |                      |                  |                     |                                         |
| 12VAC30-20-272                                 | <b>(M/A):</b>              |                      |                  |                     |                                         |
|                                                | <b>(D/A):</b>              |                      |                  |                     |                                         |
|                                                | <b>(M/R):</b>              |                      |                  |                     |                                         |
|                                                | <b>(D/R):</b>              |                      |                  |                     |                                         |
| 12VAC30-20-274                                 | <b>(M/A):</b>              |                      |                  |                     |                                         |
|                                                | <b>(D/A):</b>              |                      |                  |                     |                                         |
|                                                | <b>(M/R):</b>              |                      |                  |                     |                                         |
|                                                | <b>(D/R):</b>              |                      |                  |                     |                                         |
| 12VAC30-20-275                                 | <b>(M/A):</b>              |                      |                  |                     |                                         |
|                                                | <b>(D/A):</b>              |                      |                  |                     |                                         |
|                                                | <b>(M/R):</b>              |                      |                  |                     |                                         |
|                                                | <b>(D/R):</b>              |                      |                  |                     |                                         |
| 12VAC30-20-277                                 | <b>(M/A):</b>              |                      |                  |                     |                                         |
|                                                | <b>(D/A):</b>              |                      |                  |                     |                                         |
|                                                | <b>(M/R):</b>              |                      |                  |                     |                                         |
|                                                | <b>(D/R):</b>              |                      |                  |                     |                                         |
| 12VAC30-20-278                                 | <b>(M/A):</b>              | <b>5</b>             |                  | -5                  | -5                                      |
|                                                | <b>(D/A):</b>              |                      |                  |                     |                                         |
|                                                | <b>(M/R):</b>              |                      |                  |                     |                                         |
|                                                | <b>(D/R):</b>              |                      |                  |                     |                                         |
| <b>Grand Total of Changes in Requirements:</b> |                            |                      |                  |                     | <b>(M/A): -19</b>                       |
|                                                |                            |                      |                  |                     | <b>(D/A): -2</b>                        |
|                                                |                            |                      |                  |                     | <b>(M/R):</b>                           |
|                                                |                            |                      |                  |                     | <b>(D/R):</b>                           |