Form: TH-07 August 2022



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# Periodic Review and Small Business Impact Review Report of Findings

| Agency name  | State Board of Health   |
|--|---|
| Virginia Administrative Code (VAC) Chapter citation(s) | 12VAC5-508  |
| VAC Chapter title(s)                                   | Regulations Governing the Virginia Physician Loan Repayment Program |
| Date this document prepared                            | 8/23/2022   |

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Order 19 (2022) (EO 19), any instructions or procedures issued by the Office of Regulatory Management (ORM) or the Department of Planning and Budget (DPB) pursuant to EO 19, the Regulations for Filing and Publishing Agency Regulations (1 VAC 7-10), and the Form and Style Requirements for the Virginia Register of Regulations and Virginia Administrative Code.

### **Acronyms and Definitions**

Define all acronyms used in this Report, and any technical terms that are not also defined in the "Definitions" section of the regulation.

N/A

# **Legal Basis**

Identify (1) the promulgating agency, and (2) the state and/or federal legal authority for the regulatory change, including the most relevant citations to the Code of Virginia or Acts of Assembly chapter number(s), if applicable. Your citation must include a specific provision, if any, authorizing the promulgating agency to regulate this specific subject or program, as well as a reference to the agency's overall regulatory authority.

The Board of Health is authorized to make, adopt, promulgate, and enforce regulations pursuant to § 32.-12 of the Code of Virginia. Section 32.1-122.6:1 of the Code of Virginia requires the Board of Health to "...establish a physician loan repayment program for graduates of accredited medical schools who have a specialty in the primary care areas of family practice medicine, general internal medicine, pediatrics, and obstetrics/gynecology, or who are currently employed in a geriatrics fellowship, and who meet other criteria as determined by the Board" and to "promulgate regulations for the implementation of the Physician Loan Repayment Program."

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### **Alternatives to Regulation**

Describe any viable alternatives for achieving the purpose of the regulation that were considered as part of the periodic review. Include an explanation of why such alternatives were rejected and why this regulation is the least burdensome alternative available for achieving its purpose.

The Board of Health is required by Va. Code § 32.1-122.6:1 to establish the physician loan repayment program and promulgate regulations by which the program is administered. There are no other viable alternatives to regulation to comply with that requirement.

#### **Public Comment**

<u>Summarize</u> all comments received during the public comment period following the publication of the Notice of Periodic Review, and provide the agency's response. Be sure to include all comments submitted: including those received on Town Hall, in a public hearing, or submitted directly to the agency. Indicate if an informal advisory group was formed for purposes of assisting in the periodic review.

| Commenter     | Comment   | Agency response                                   |
|---------------|---|---|
| Rick Shinn -  | On behalf of the community health centers providing         | VDH agrees that the                               |
| Virginia      | primary health care services in medically underserved       | state should consider                             |
| Community     | areas, the Association supports this program. At this time, | renewing funding for the                          |
| Healthcare    | we have no recommendations for changes to the               | Virginia Physician Loan                           |
| Association,  | regulations governing the program. This and similar         | Repayment Program and                             |
| 6/13/19 11:47 | programs, assist greatly in recruiting physicians to        | that the regulation does                          |
| am            | underserved areas, particularly rural areas.                | not need to be amended in content, but updated to |
|               | We ask the state to renew funding for this program, at      | ensure that it is more                            |
|               | significant levels, as an economic development action to    | comprehensible, clear,                            |
|               | create jobs in underserved, economically challenged         | and consistent for the                            |
|               | areas, as well as improving access to primary health care   | public's interest.                                |
|               | services, and as a tool for assisting in recruiting and     |   |
|               | retaining physicians to practice and live in MUAs.          |   |

### **Effectiveness**

Pursuant to § 2.2-4017 of the Code of Virginia, indicate whether the regulation meets the criteria set out in the ORM procedures, including why the regulation is (a) necessary for the protection of public health, safety, and welfare, and (b) is clearly written and easily understandable.

Pursuant to § 2.2-4017 of the Code of Virginia, the Regulations Governing the Virginia Physician Loan Repayment Program (12VAC5-508) meet the criteria set out in Executive Order 19. It is necessary for public health and welfare because it creates incentives for healthcare professionals to provide services in regions or to populations that may be particularly affected by the ongoing healthcare workforce

challenges. As recommended, it is also necessary to ensure that it is more comprehensible, clear, and consistent.

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#### **Decision**

Explain the basis for the promulgating agency's decision (retain the regulation as is without making changes, amend the regulation, or repeal the regulation).

If the result of the periodic review is to retain the regulation as is, complete the ORM Economic Impact form.

VDH has decided to amend the Regulations Governing the Virginia Physician Loan Repayment Program (12VAC5-508 et seq.) to ensure that the language is readable, clear, consistent, and in the public's interest.

# **Small Business Impact**

As required by § 2.2-4007.1 E and F of the Code of Virginia, discuss the agency's consideration of: (1) the continued need for the regulation; (2) the nature of complaints or comments received concerning the regulation; (3) the complexity of the regulation; (4) the extent to the which the regulation overlaps, duplicates, or conflicts with federal or state law or regulation; and (5) the length of time since the regulation has been evaluated or the degree to which technology, economic conditions, or other factors have changed in the area affected by the regulation. Also, discuss why the agency's decision, consistent with applicable law, will minimize the economic impact of regulations on small businesses.

The Regulations for Virginia Physician Loan Repayment Program (12VAC5-508 et seq.) are required and there is a continued need for them. VDH received one favorable comment during the public comment period. The regulations are not complex and do not overlap, duplicate, or conflict with any state or federal laws or regulations. Technical amendments were made and effective in 2016. There has been no change in technology or other conditions since that regulatory action that would necessitate a substantive change to the physician loan repayment program or Regulations. The program administered by these Regulations promotes physician recruitment and retention, which is intended to address the primary care physician shortages throughout the Commonwealth. As such, facilities that provide primary care services and that qualify as a small business may benefit from the implementation of the Regulations. The Regulations have no adverse economic impact on small businesses.