SMALL BUSINESS IMPACT STATEMENT 2016

PROPOSED AMENDMENTS TO NAC 439 and 439A

The Division of Public and Behavioral Health (DPBH) has determined that the proposed amendments should not impose an economic burden upon a small business or have a negative impact on the formation, operation or expansion of a small business in Nevada.

A small business is defined in Nevada Revised Statutes (NRS) 233B as a "business conducted for profit which employs fewer than 150 full-time or part-time employees."

This small business impact statement is made pursuant to NRS 233B.0608 (3) and complies with the requirements of NRS 233B.0609. As required by NRS 233B.0608(3), this statement identifies the methods used by the agency in determining the impact of the proposed regulation on a small business in sections 1, 2, 3, and 4 below and provides the reasons for the conclusions of the agency in section 8 below followed by the certification by the person responsible for the agency.

Background

The proposed amendment to NAC 439.030 updates the required response time from 45 days to 30 days, for petitions submitted to the Secretary of the State Board of Health. This is consistent with NRS 233B.100 which requires a 30-day response time.

Assembly Bill 39 was approved in 2015 updating NRS 439A.170 to increase the cap on the amount of the application fee that the State Board of Health may establish from $500 to $2,000, for a letter of support from the Nevada Conrad/J-1 Physician Visa Waiver Program

Proposed amendments to Nevada Administrative Code (NAC) 439A update the following areas:

- Update the name of the Nevada Primary Care Association, formerly Great Basin Primary Care Association;
- Update meeting requirements for the Advisory Council from at least once each calendar quarter to at least annually;
- Update selection of Advisory Council chair from annually to biennially;
- Allow members to assign representatives to serve as their proxy for the purpose of obtaining a meeting quorum and voting on action items;
- Increase application fees consistent with NRS 439A.170 as amended by Assembly Bill No. 39, chapter 94, Statutes of Nevada 2015; and
- Remove references to obsolete website.

1) A description of the manner in which comment was solicited from affected small business, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

Pursuant to NRS 233B.0608 (2)(a), the Division of Public and Behavioral Health has requested input from all known stakeholders.

A Small Business Impact Questionnaire was distributed to Nevada Hospital Association, Nevada Rural Hospital Partners, medical facilities licensed through the state, the State Office of Rural Health, National Health Service Corps sites, 3RNet Referral List, J-1 Law Firms and J-1 Participants, along with a copy of the proposed regulation changes, on November 11 and November 17, 2015. The questions on the questionnaire were:

1) How many employees are currently employed by your business?
2) Will a specific regulation have an adverse economic effect upon your business?
3) Will the regulation(s) have any beneficial effect upon your business?
4) Do you anticipate any indirect adverse effects upon your business?
5) Do you anticipate any indirect beneficial effects upon your business?

Summary of Response

Summary Of Comments Received (5 responses were received out of 778 contacts invited to complete the small business impact questionnaire)			
Will a specific regulation have an adverse economic effect upon your business?	**Will the regulation (s) have any beneficial effect upon your business?**	**Do you anticipate any indirect adverse effects upon your business?**	**Do you anticipate any indirect beneficial effects upon your business?**
No	1 respondent noted *Improves physician recruitment efforts and care delivery; reduces recruitment costs for each candidate*	No	1 respondent noted *Reputation as a company for hiring of VISA physicians attracts other similar candidates*

2) Describe the manner in which the analysis was conducted.

The Small Business Impact Questionnaire was embedded in an online survey with a link to the proposed amendments to regulation, and distributed to the stakeholders identified above. Responses were reviewed individually and collectively to determine potential impacts of the

proposed amendments. Staff have reviewed the regulations to ensure there is not a negative impact on small business.

3) **The estimated economic effect of the proposed regulation on the small business which it is to regulate including, without limitation both adverse and beneficial effects and both direct and indirect effects.**

The proposed changes include modest application fee increases for specialists and third-party contractors to cover increased costs for program administration and monitoring. The cap was increased from $500 to $2,000 under NRS 439A.170. The fee schedule in the proposed regulation starts at $500 for primary care providers in a designated Health Professional Shortage Area, with $300 increments for specialists, "flex slots," and third-party contractors, with the highest potential rate at $1,400, to better reflect actual costs, and to help sustain the program.

4) **Provide a description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.**

The regulation will retain an exemption to the fee requirement for a demonstrated hardship.

5) **The estimated cost to the agency for enforcement of the proposed regulation.**

No new costs are anticipated for enforcement of the proposed regulation.

6) **If the proposed regulation provides a new fee or increases an existing fee, the total annual amount DPBH expects to collect and the manner in which the money will be used.**

The average number of applications received, per year, over the last five years is three. If all three applications per year were subject to an increase of $900, this would total $2,700 per year. These funds would be used to administer and monitor the program, including technical assistance, application review, public hearing, data collection, site visits and monitoring.

7) **An explanation of why any duplicative or more stringent provisions than federal, state or local standards regulating the same activity are necessary.**

The proposed regulation does not include more stringent provisions than the Nevada Revised Statutes.

8) **Provide a summary of the reasons for the conclusions of the agency regarding the impact of a regulation on small businesses.**

The response rate to the small business impact questionnaire was relatively low which may be a reflection that stakeholders do not anticipate significant impact from the proposed regulation. The majority of respondents indicated no impact, with one respondent noting positive impact of the regulation, in general, because it supports physician recruitment.

Any other persons interested in obtaining a copy of the summary may e-mail, call, or mail in a request to Laura Hale at the Division of Public and Behavioral Health at:

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Laura Hale
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Certification by Person Responsible for the Agency

I, Cody L. Phinney, Administrator of the Division of Public and Behavioral Health certify to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and the information contained in this statement was prepared properly and is accurate.

Signature Cody L Phinney Date: 4/22/10