

SMALL BUSINESS IMPACT STATEMENT 2014

PROPOSED AMENDMENTS TO NAC 449

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 prevent the formation, operation or expansion of a small businesses 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 complies with the requirements of NRS 233B.0609.

Background

These regulations are revising Nevada Administrative Code concerning the adopted references for construction standards for five medical facilities (hospitals, skilled nursing, intermediate care facilities, mobile units and surgical centers for ambulatory care). If adopted, the adopted standards would be up to date and these regulations would continue with the minimal standards to ensure the safety of patients within each of the five medical facilities. These regulations also adjust for the current purchasing cost of the adopted construction standards, otherwise there are no changes in the fees.

1) A description of the manner in which comment was solicited from affected small businesses, 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 had requested input from the five existing licensed facility types that are required by regulation to utilize the existing adopted construction standards. The five facility types include hospitals, skilled nursing facilities, intermediate care facilities, mobile units and surgical centers for ambulatory patients.

A Small Business Impact Questionnaire was sent to all Nevada's 54 hospitals, 57 skilled nursing, 4 intermediate care facilities, and 89 surgical centers with ambulatory patients (total of 204) on 01/04/17, with a link to the proposed regulations. Note: There are no mobile units licensed at this time. 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

Only 1 of the 204 facilities responded to the small impact statement. The lone respondent indicated that their facility had less than 150 employees, and answered no to questions 2 through 5. The respondent indicated no impact on their business.

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

The result of the small business impact survey revealed a single response without negative impact to their organization. An analysis of the data suggest negligible impact of the proposed revision of the regulations to small businesses that operate any of the five medical facility types.

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.

There is the nominal increase to purchase the current adopted standards, otherwise there is no increase to the provider.

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

By adopting the newer standards, it allows the facility's architects and contractors to spend less time conducting cross-walks between the current and new codes to establish compliance with the design and construction of their medical facility client's construction projects. This indirectly reduces the cost to the medical facility.

The Division of Public and Behavioral Health will provide additional opportunities for input and comments regarding the proposed regulations, including the economic impact the proposed regulations may have on small businesses. Modifications to the proposed regulations will be made as a result of this input. Workshops will be held on May 04, 2017, allowing for further input by the public regarding the proposed regulations. All comments will be taken into consideration for possible further revisions to the regulations to reduce the economic impact on facilities.

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

None. The existing fees, such as, initial licensing fees for new facilities, bed change fees and/or the license renewal fees should offset the cost for survey(s) and any enforcement.

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 cost for the adopted regulations are indicated as follows and paid directly to those entities that publish the respective standards:

National Fire Protection Association 101, Life Safety Code

From \$55.80 to \$98.00 + \$9.95 handling

National Fire Protection Association 99, Health Care Facility Code

From \$45.25 to \$72.50 + \$9.95 handling

Guidelines for the Design and Construction of Hospitals and Outpatient Facilities

From \$75.00 + 9.00 handling to \$200.00

Guidelines for the Design and Construction of Residential Health, Care, and Support Facilities
\$200.00

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

More stringent provisions than the federal standards have not been proposed. Likewise, duplicative standards have not been proposed. These replacement standards are a continuation of existing standards, but only have been updated with current health care practices, technology improvements, and fire safety changes. The main purpose of the regulation change is due to the American Institute of Architects (AIA) no longer publishes the *Guideline* standards, and that publishing role has been transferred/assumed by the Facilities Guidelines Institute (FGI).

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

A large portion of the targeted licensees are not small businesses as defined as 150 personnel or less, and they have self-selected from responding. The remaining licensees that are small businesses, only one responded and check-marked that they would not experience any negative impacts to their business. The other major determinate is that all of these licensees have been required to designed plans, submit plans and construct and/or remodel their facilities to be in compliance to past codes. These licensee recognize that this is part of doing business with local authorities having jurisdiction, with the state of Nevada and elsewhere in the United States. The agency does not foresee these regulations will have a detrimental impact on small businesses.

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

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I, Cody Phinney, Administrator of the Division of Public and Behavioral Health certify to the best of my knowledge or belief, the information contained in this statement was prepared properly and accurately.

Signature Cody Phinney Date: 4/17/17