

SMALL BUSINESS IMPACT STATEMENT 2017

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 establish licensing standards for Recovery Centers. If adopted, there will be a clear licensure category for Recovery Centers and these regulations will establish minimal standards to ensure the safety of patients receiving services within Recovery Centers. These regulations also propose licensing fees for Recovery Centers and we anticipate the proposed fees will cover the costs of implementation.

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 has requested input from licensed facilities providing similar services as proposed for recovery centers. Since we do not currently have any recovery centers in Nevada, we solicited information from facilities that may eventually have a desire to develop recovery centers or license recovery center beds within their facilities in the future. We determined that skilled nursing facilities and intermediate care facilities are providing similar services to the proposed recovery centers. As such and in the absence of actual recovery centers, we decided to reach out to these facilities to obtain comments and best fulfill our responsibilities in accordance with NRS 233B.

A Small Business Impact Questionnaire was sent to all 61 of skilled nursing facilities and intermediate care facilities in Nevada on 01/04/17. 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

None of the 61 skilled nursing facilities and intermediate care facilities responded to small business impact questionnaire.

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

The result of the small business impact survey revealed no data for analysis.

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 will be licensure fees associated with the operation of the recovery centers in Nevada. However, in the interest of public health and safety these fees are necessary to offset the cost of inspections, complaint investigations and enforcement.

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.

Since the regulatory agency has no way of accurately anticipating the workload associated with this new facility type, the fees would have been set at a rate for similar facility types, such as intermediate care facilities. However, in an effort to reduce the anticipated economic effect and encourage businesses to consider operation of recovery centers, the fees were set at the current rate for intermediate care facilities.

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 proposed fees should offset the cost for 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.

There's no way of accurately anticipating how many facilities may apply for licensure as PRTFs, nor how many beds such a proposed facility would license. The fees have been proposed as follows:

Initial licensure \$946 + \$72 per bed

Renewal \$473 + \$46 per bed

Initial fees are used to offset the cost of applicant training, application processing, initial inspection(s), licensure and complaint investigations throughout the first year of licensure. Renewal fees are used to offset the cost of application processing, periodic inspection(s) and complaint investigations in the year of renewal.

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. However licensure standards are necessary to address the services provided such as dietary, medications, resident rights, etc., in order for the regulatory agency to ensure proper oversight of facilities.

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

Since there are no currently licensed nor operating recovery centers in Nevada, the agency solicited comments from similar facilities to determine whether these regulations would have any impact. These facilities did not respond. The agency does not foresee these regulations will have a detrimental impact on small businesses; in fact the agency anticipates these regulations will provide a way for small businesses to enter into this market.

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