#### SMALL BUSINESS IMPACT STATEMENT 2020

#### PROPOSED AMENDMENTS TO NAC Chapter 449 Alzheimer's and Dementia Regulations R056-20

The Division of Public and Behavioral Health (DPBH) has determined that the proposed amendments may have different financial impacts on the industry based on how each small business is impacted by the proposed regulations. However, the proposed amendments should not prevent 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**

Nevada Administrative Code chapter 449 contains regulations established for oversight of Residential Facility for Groups (RFG). These modifications have been drafted to set parameters for RFG providers so they may admit and care for Alzheimer's/Dementia residents. Training requirements have been put in place to ensure RFG staff are trained to care for residents with diagnoses of Alzheimer's/Dementia.

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.

Notice was sent to all licensed Residential Facility for Groups facility personnel licensed or pending applications by the Division by 1/1/2020, requesting that all interested individuals complete the small business impact questionnaire. A web-based Small Business Impact Questionnaire and a copy of proposed regulations were sent on 6/12/2020 An email notice with a link to the small business impact questionnaire and proposed amended regulations was provided to those with an email address. In addition, a phone number was provided which an individual could call to obtain a copy of both documents. Those without an email address were mailed the small impact questionnaire and proposed regulations. The proposed regulations were also posted on DPBH's website. 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 (12 responses were received out of 412 small business impact questionnaires distributed)						
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?			
Yes - 8 No - 4	Yes – 5 No - 7	Yes – 3 No - 8	Yes – 1 No - 10			
Comments*- The bullets below summarize major points from respondent comments: - I'm currently endorsed with the Alzheimer's Endorsement and I have done what is necessary to obtain that endorsement. All facilities should not be able to take in these residents without following all the requirements that I have to follow and allowing this will hurt my business economically and does not respect that certain facilities can take care of these residents and others should not be. - This will be an increase of training costs	Comments*- The bullets below summarize major points from respondent comments: - Allow us to keep residents in the home should their condition change. - Allow facilities to admit more residents. - I'm already licensed for Alzheimer's care and spent the extra money on the facility retrofits and staff training. Making the licensing for memory care optional will compromise the safety and quality of care for residents with the disease, if a facility where they reside isn't required to have the	Comments*- The bullets below summarize major points from respondent comments: - Losing business to facilities who weren't previously licensed for memory care. They will have a competitive advantage because they didn't have to spend the money on the additional facility retrofits and staff training.	Comments*- The bullets below summarize major points from respondent comments: -It does not add any value.			

to facilities of up to	licensing endorsement	
\$3100.	for that level of care.	
- If the training we		
currently have does not		
meet approval by the		
Division than we will		
have to purchase		
different training		
materials costing us		
more money.		

Number of Respondents out 12	Adverse economic effect?	Beneficial effect?	Indirect adverse effects?	Indirect beneficial effects?
	Yes-8	Yes-5	Yes-3	Yes-1
	No-4	No- 7	No-8	No- 10

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

An analysis of the input collected was conducted by a Health Facilities Inspection Manager. The analysis involved analyzing feedback obtained from the small business impact questionnaire and review of current statutes and review of the amendments to NAC 449. This information was then used to complete this small business impact statement including the conclusion on the impact of the proposed regulation on a small business found in number 8.

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.

*Direct Beneficial Effects*: Facilities will be able to retain residents even when cognitive status changes, this is a financial benefit.

Indirect Beneficial Effects: No indirect benefits are anticipated.

*Direct Adverse Effects*: With the new amended regulations, there would be increased training needs for care givers in the facilities. This will require providers to increase training programs related to Alzheimer's/Dementia and will have an associated cost.

Indirect Adverse Effects: No indirect adverse effects are anticipated.

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 Division of Public and Behavioral Health has provided and will provide opportunities for active and pending residential facility for groups (RFG) providers to provide input and comments regarding the proposed amendments to NAC 449 regulations, including the economic impact the proposed regulations may have on RFG providers. These regulation amendments were drafted by a workgroup made up of stakeholders including owners/operators of residential facilities for groups. Workshops will be held allowing for further input regarding the proposed regulations and 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.

These proposed regulations will not add any costs to the current regulatory enforcement activities conducted by HCQC. The facilities impacted by the new laws are already licensed and inspected by HCQC and these new training and posting/patient notification requirements can be incorporated into HCQC's current workload.

# 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.

These proposed regulations do not provide for a new fee or increase to any existing fee associated with health facility licensing.

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

There are no duplicative or more stringent provisions.

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

The amended regulations may allow RFG providers who do not have an Alzheimer's endorsement to care for residents with Alzheimer's/Dementia with the required training. Although training cost may increase, the amended regulations gives RFG providers the ability to admit and retain residents they are currently prohibited from admitting and retaining.

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

Division of Public and Behavioral Health 4220 Maryland Pkwy. Building A Suite 100 Las Vegas, NV 89701 Amir Bringard Phone: 702-486-6515 Email: abringard@health.nv.gov

#### **Certification by Person Responsible for the Agency**

I, Lisa Sherych, 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: Jos Shuph

Date: September 3, 2020