

Department of Planning and Budget 2002 Fiscal Impact Statement

1. Bill Number HB1128

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Bryant

3. Committee Health, Welfare and Institutions

4. Title Board of Nursing

5. Summary/Purpose: This legislation would require the Board of Nursing to:

- Collect, store and make available aggregated nursing workforce information in an electronic format.
- Create an online nursing workforce information website
- Implement an electronic system for certification, registration, and licensure application, renewal and fee collection.

This bill also strikes the language requiring appropriation of funds for the implementation of the workforce information system. The health regulatory boards and the Department of Health Professions are self-funded entities that are required to analyze their budgets at the end of every biennium and to revise their fees in the event their revenues are more or less than 10 percent of their expenditures. Thus, in 2004, this bill could result in a revision in the Board's fee structure.

6. Fiscal impact estimates are preliminary

Expenditure Impact:

Fiscal Year	Dollars	Positions	Fund
2002-03	\$431,000	-	NGF
2003-04	\$300,000	-	NGF

7. Budget amendment necessary: Yes, 321.

8. Fiscal implications: The Department of Health Professions (DHP) recently conducted a survey (per Chapter 587 of the 2000 Acts of the Assembly) to collect data on the Commonwealth's nursing workforce. The department reported that it cost \$80,000 to survey a sample population of 6,000 nurses and nurse aides (there are approximately 150,000 licensed or certified by Virginia). In addition to data collection, these costs included the analysis and reporting of results. If all nurses were to be surveyed, as required by this legislation, the cost associated with mailing a survey instrument is estimated at \$51,000. Under the current bill, response to the survey would be on-line and would be voluntary, so it is difficult to predict what the response might be. If additional mailings were necessary to increase the number of responses, there would be additional costs. The subsequent analysis and distribution of the data would likely be contracted. Although the agency has not received an estimate, it expects the price contracting this activity to be at least \$80,000, the cost of the original effort.

In addition to the collection and reporting of the workforce data, the department would have additional expenses associated with establishing and maintaining a nursing workforce database. Assuming this database is an on-going endeavor, the department estimates that the costs would be comparable to the existing physician profiling system, which costs approximately \$300,000 per year. This legislation would increase the regulatory fees charged to those practitioners regulated by the Board of Nursing.

9. Specific agency or political subdivisions affected:

Department of Health Professions

10. Technical amendment necessary: No

11. Other comments: None

Date: 01/24/02/kwm

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cc:Secretary of Health and Human Resources