

## Department of Planning and Budget

### 2024 Session Fiscal Impact Statement

**1. Bill Number:** HB1499

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

**2. Patron:** Willett

**3. Committee:** Committee Referral Pending

**4. Title:** Virginia Health Workforce Development Authority.

**5. Summary:** Modifies the enabling legislation for the Virginia Health Workforce Development Authority by adding four additional ex officio members to the Authority's Board of Directors, adding managing primary care graduate medical education programs and managing the Health Workforce Innovation Fund to the duties of the Authority, specifying additional recipients of the Board's biennial report, and authorizing the Authority to partner with other agencies and institutions to obtain and manage health workforce data.

The bill establishes the Virginia Health Workforce Innovation Fund to be administered by the Board of the Virginia Health Workforce Development Authority. The Board shall use the Fund to provide grants to facilitate regional collaboration on health care innovation and workforce development and, in particular, the formation of regional, employer-led partnerships that prioritize workforce growth and training. The bill provides for the formation across the Commonwealth of regional councils, defined in the bill, consisting of representatives from the government, health care, and education sectors. Under the bill, regional councils may submit applications for collaborative projects in their regions that enhance private-sector growth, competitiveness, and workforce development. A portion of the grant funds will be awarded on a population basis and a portion on a competitive basis.

The bill creates a work group to study the pharmacy technician profession, creates a work group to address health workforce shortages, establishes a program for health workforce development, directs the Board of Nursing to add or remove certain educational requirements for members of the nursing faculty in specified nursing education programs, and establishes a licensing procedure by the Board of Psychology for a psychological practitioner, as defined by the bill.

The bill directs the Board of Nursing to adopt emergency regulations to implement relevant provisions of the bill, directs the work group to study the pharmacy technician profession to submit its report to the Governor and the relevant committees of the General Assembly by November 1, 2024, and directs the work group to address health workforce shortages to submit its report to the Governor and the relevant committees of the General Assembly by

October 1, 2025. The bill removes references to qualified mental health professionals with a delayed effective date of July 1, 2026.

That the Virginia Health Workforce Development Authority, in collaboration with the Department of Labor, the Department of Health Professions, the Department of Education, the Virginia Community College System, the State Council of Higher Education for Virginia, the Department of Health, and representatives from for-profit and private not-for-profit health care providers, educational institutions, research centers, and the regional Area Health Education Centers shall develop an employer-led collective impact program (the program) to align, coordinate, and integrate resources and efforts across the Commonwealth to strengthen the health and health sciences workforce.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Indeterminate.

**8. Fiscal Implications:** The provisions of this legislation would have an indeterminate impact. The Department of Workforce Development and Advancement (DWDA) anticipates that developing an employer-led collective as required in the bill may result in an indeterminate expenditure impact. Based on initial grants the Blue Ridge Partnership for Health Sciences Careers received in 2019 and also the Southern Virginia Partnership for Health Sciences Careers launched in 2022, DWDA estimates that up to \$150,000 may be needed to carry out similar programs in other regions. This cost may be absorbed by engaged partners. According to DWDA, there are five core regions focused on life sciences. The cost of the implementation is undeterminable, as it depends on the finalized plan.

Additionally, multiple bills place similar requirements on the State Council of Higher Education for Virginia (SCHEV) related to new programs. Depending on the number of programs established under SCHEV, SCHEV may support these activities with a wage employee or may need to hire an additional employee to support multiple new programs.

The provisions of this legislation would have a fiscal impact on the Board of Counseling to regulate behavioral health aides and behavioral health aide trainees. The Department of Health Professions (DHP) estimates that the new registration category would generate approximately 20,000 registrants based on the current QMHP registration volume.

The boards are currently at operating capacity and in need of additional licensing staff to handle the existing licensing volume. The agency estimates it would need one position at \$97,476, which would be supported by application fees.

Additional disciplinary staff may be needed to be to handle disciplinary matters from the new category. DHP expects behavioral health technicians to have similar or higher registration numbers as QMHPs. QMHPs currently produce about 75 percent of the discipline cases before the Board, however, there is no way to know yet if this new registration category will cause the same issues.

This bill would not have a fiscal impact on the Department of Health.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Health Workforce Development Authority, Department of Health Professions

**10. Technical Amendment Necessary:** No

**11. Other Comments:** HB30/SB30 implements Chapter 624, 2023 Acts of Assembly; which transfers workforce apprenticeship programs from the Department of Labor and Industry to the newly established Department of Workforce Development and Advancement. Page 1, Line 13, strike "Labor", and insert "Workforce Development and Advancement."