

## **SMALL BUSINESS IMPACT STATEMENT 2016**

### **PROPOSED AMENDMENTS TO NACs 440.210 and 442.020 through 442.050**

#### **LCB FILE NO. R033-16**

The Division of Public and Behavioral Health (DPBH) has determined the proposed amendment should not impose an undue economic burden upon a small business or have a negative impact on 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 complies with the requirements of NRS 233B.0609.

#### **Background**

The key items the proposed regulation includes are as follows:

- Nevada will no longer utilize an out of state entity for the processing and testing of Newborn Screening Kits which will now be conducted at the Nevada Public Health Laboratory.
- Every hospital or obstetric center is required to purchase newborn screening kits from the State Public Health Laboratory for appropriate processing and testing.
- The State Public Health Laboratory shall establish the price for the newborn screening test kits.
- Hospital personnel will continue to uphold specific standards in an effort to comply with the regulation amendment.

#### **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 requested input from newborn screening birthing partners in Nevada. Input was requested from small businesses (midwives who assist in the delivery of babies) and Nevada birthing hospitals in order to provide them with courtesy notification of a fee adjustment.

On March 31, 2016, a Small Business Impact Questionnaire, along with a copy of the proposed regulation changes, was sent to birthing hospitals and midwives statewide. 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 Small Business Impact Questionnaires Responses  
10 responses (3 from midwives, 7 from hospitals) were received out of 101 SBI Questionnaires distributed

How many employees are currently employed by your business?	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?	Comments
>1200	No Response	No Response	No Response	No Response	None
180	No Response	No Response	No Response	No Response	None
1,516	No Response	No Response	No Response	No Response	<u>Adverse Economic Effect</u> - "Not applicable, over 1500 employees." <u>Beneficial Effect</u> - "Not applicable, over 1500 employees." <u>Indirect Adverse Effect</u> - "Not applicable, over 1500 employees." <u>Indirect Beneficial Effects</u> - "Not applicable, over 1500 employees."
200	No Response	No Response	No Response	No Response	None
1	Yes	No	No	No	<u>Adverse Economic Effect</u> - "I serve a low income population and would have to pass this cost on to the patient. I worry some patients would opt not to have testing if they had to pay for test."
Unknown	No	No	No	No	"We are not for profit."
6,000+	No Response	No Response	No Response	No Response	None

How many employees are currently employed by your business?	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?	Comments
Unknown	No	No	No	No	None
0	No Response	No Response	No Response	No Response	None
885	No Response	No Response	No Response	No Response	None

Number of Respondents out of 98	Adverse Economic Effect?	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?
Hospitals - 7 Midwives - 3	No Response - 8 Yes - 1 No - 0 Not applicable-I	No Response - 9 Yes - 0 No - 0 Not applicable-I	No Response - 9 Yes - 0 No - 0 Not applicable-I	No Response - 9 Yes - 0 No - 0 Not applicable-I

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

Division of Public and Behavioral Health  
4150 Technology Way, Suite 210  
Carson City, NV 89706  
Vickie Ives, MA  
Maternal, Child and Adolescent Health Section Manager  
Phone: 775-684-2201  
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## 2) The manner in which analysis was conducted.

An analysis of the input collected from stakeholders conducted by Debra Kawcak, the Children and Youth with Special Health Care Needs Program Coordinator and the Maternal and Child

Adolescent Health Section Manager. The analysis involved analyzing feedback obtained from the small business impact questionnaire as well as information gathered from communication with different stakeholders. The analysis considered the questionnaire answers and comments as well as the fiscal requirements of the contracted newborn screening laboratory. Based upon this consideration, the agency is following the directive of the legislature and is relying on their expertise in limiting the impact on small business while providing required funding for a legislatively required public health service to Nevadans.

**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.**

- *Beneficial effects:* These regulations have been designed with minimal standards to ensure facilities are not over-regulated, the regulations focus mainly on health and safety concerns of the residents, and, while a dollar amount cannot be assigned, economic benefit is anticipated
- *Adverse effects:* The fees established by these regulations were determined based on the anticipated cost of implementation; however, the fees may require adjustment when actual costs are calculated
- *Direct effect:* In-state services will be provided, rather than out of state services, for screening of newborn infants for inheritable disorders in Nevada.
- *Indirect effects:* There is an anticipated beneficial economic effect, based on the cost of providing in-state, rather than out-of-state services.

**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.**

The Division of Public and Behavioral Health used methods to reduce impact of the proposed regulations on small business including discussions with stakeholders, distribution of small business impact questionnaires to stakeholders to provide input on how the proposed regulation may impact their business. Nevada hospitals, obstetric centers and midwives were given the opportunity to discuss the economic impact the proposed regulations may have. No modifications to the proposed regulations have been made as a result of this input; comments received relating to fees are not applicable as the proposed changes repeal NAC 440.210 relating to fees to be paid to the Division which address the reduction of impact. The Division of Public and Behavioral Health has reviewed the regulations and has been unable to identify any impact on small businesses. The Division of Public and Behavioral Health will hold a Public Workshop on Monday, May 16, 2016 in Carson City and will be broadcast via videoconference in Las Vegas for the public and the regulated community to provide comments regarding the proposed NAC 440.020 through 442.050 regulation. Further input by the public, regulated community or other interested parties regarding the proposed regulations and their impact may be solicited at the Public Workshop. The Notice of Public Hearing is being mailed to interested parties and posted in public locations statewide on Friday, April 29, 2016. To date, no additional comments have been submitted but if any are received, they will

be taken into consideration for possible further revisions to the regulations to reduce the economic impact on midwives or other birthing facilities.

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

At this time, there is no additional estimated cost to the agency for enforcement of the proposed regulation as the State Public Health Laboratory has established fees for Newborn Screening Kits that are currently being applied to all hospitals and obstetric birthing centers in Nevada.

**6) Total amount DPBH expects to collect from any fees and the manner in which the money will be used.**

DPBH will not be responsible for any output and/or intake of fees being processed for newborn screening testing and processing therefore there is no cost to the agency for application of the proposed regulation.

**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 stringent provisions necessary.

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

The agency has concluded there is little or no impact of regulation NAC 442.020 through 442.050 on small businesses as the response from the Small Business Impact Questionnaire did not offer any specific evidence to the perceived impact on the business model. The fees charged by the Public Health Laboratory to the hospitals and birthing centers can be applied as maternity fees in the billing structure.

I, Cody Phinney, Administrator of the Division of Public and Behavioral Health, certify to the best of my knowledge or belief that a concerted effort was made to determine the impact of the regulation on small business and the information contained in this statement was prepared properly and is accurate.

 Cody Phinney

CodyPhinney, M.P.H., Administrator  
Division of Public and Behavioral Health  
Department of Health and Human Services

