

1 Department of Health

2

3 Adopted Rules Governing the Cost Effectiveness and Economic
4 Impact of the Regulation of Human Service Occupations

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6 Rule as Adopted

7 4695.0300 TYPES OF INFORMATION.

8 Subpart 1. Information from licensed or registered
9 individuals. Individuals who are licensed or registered by the
10 commissioner or the boards shall submit to the commissioner, on
11 forms provided by him/her, the following types of information:

12 A. permanent license or registration number;

13 B. locality of principal residence;

14 C. educational background which shall include:

15 (1) to (4) [Unchanged.]

16 D. professional activity status in the occupation
17 which shall include:

18 (1) to (4) [Unchanged.]

19 E. locality where currently working in the occupation;

20 F. type of setting where currently working in the
21 occupation;

22 G. category of current form of employment in the
23 occupation;

24 H. occupational specialty;

25 I. current active licensure or registration held in
26 other states.

27 Subp. 2. to 4. [Unchanged.]

28 4695.0800 FACTORS FOR DETERMINING THE NECESSITY OF REGULATION.

29 Subpart 1. to 4. [Unchanged.]

30 Subp. 5. Overall cost effectiveness and economic impact.

31 In determining whether the overall cost effectiveness and
32 economic impact would be positive for citizens of the state, the
33 following shall be considered:

34 A. Positive cost effectiveness and economic impact
35 results where the benefits expected to accrue to the public from

1 a decision to regulate an occupation are greater than the costs
2 resulting from that decision.

3 (1) Cost effectiveness means the relationship of
4 the benefits anticipated from a decision to regulate an
5 occupation to the overall costs to the public resulting from
6 that decision.

7 (2) Economic impact means the direct and indirect
8 effects on the price and supply of services provided by the
9 occupation under consideration for regulation. Direct effects
10 include impacts on the cost and supply of practitioners who
11 would be regulated. Indirect effects include: the degree to
12 which the existing practitioners will be precluded from practice
13 because of regulation; the degree to which persons aspiring to
14 practice the occupation, who if not for regulation could
15 practice the occupation successfully, but will be prohibited
16 because of inability to meet entry requirements; impact on
17 ability of minorities or protected classes to enter the
18 occupation; or impact on innovations in the delivery of care or
19 services as a result of regulation.

20 (3) Costs of a decision to regulate include the
21 estimated costs to state and local governments of administering
22 the proposed regulatory program; educational requirements and
23 training costs including costs associated with experiential
24 requirements of the proposed mode of regulation; and costs to
25 the public such as reduced or increased access by potential or
26 existing providers to labor markets.

27 (4) Benefits of a decision to regulate an
28 occupation include access to less expensive but similar
29 providers; measurable improvements in quality of care;
30 reductions in costs of services; process for seeking redress for
31 injury from malpractice, or other unprofessional conduct, and
32 reduction in the potential for public harm from unregulated
33 practice.

34 B. Cost effectiveness and economic impact can be
35 evaluated through consideration of the following factors:

36 (1) degree to which regulation directly or

1 indirectly impacts the costs and prices of goods or services
2 provided by applicant group;

3 (2) impact upon the current and future supply of
4 practitioners of the regulated occupation;

5 (3) degree to which the existing practitioners
6 will be precluded from practice because of regulation;

7 (4) impact, if any, on innovations in the
8 delivery of care or services as a result of regulation;

9 (5) costs of additional education and training
10 required as a result of the regulation of the occupation;

11 (6) manner in which and degree to which
12 regulation will result in improvement in the quality of care;

13 (7) degree to which services of the applicant
14 group substitute for currently regulated occupations and
15 estimated comparative costs of applicant group and currently
16 regulated practitioners;

17 (8) degree to which services of the applicant
18 group supplement currently regulated occupations;

19 (9) whether regulation confers or facilitates
20 access to reimbursement for government assistance programs such
21 as medicare and medicaid; estimated impact on program budgets;
22 and

23 (10) impact on expenditures by government and
24 private third party payors, if any, resulting from regulation of
25 the occupation.

26 Subp. 6. **Nonlimiting guidelines.** Subparts 2 to 5 shall be
27 considered nonlimiting guidelines to be used in applying the
28 statutory factors contained in Minnesota Statutes, section
29 214.001, subdivision 2. Additional elements may be considered
30 if necessary to permit a thorough review and evaluation of an
31 applicant group questionnaire in light of the statutory factors;
32 provided, however, that the additional elements shall be
33 identified during the course of the review and evaluation
34 process, all interested persons given the opportunity to comment
35 thereon, and shall be specifically addressed in the
36 commissioner's written decision required by part 4695.1500.