Kansas Board of Healing Arts Tucker Poling, General Counsel 785-296-8066 Tucker.Poling@ks.gov

Kansas Administrative Regulations Economic Impact Statement For the Kansas Division of the Budget

K.A.R. 100-8-3

I. Brief description of the proposed rule(s) and regulation(s).

This regulation deals with the statutory "active practice" requirement for the purpose of evaluating applicants for licensure in medicine and surgery.

II. Statement by the agency if the rule(s) and regulation(s) is mandated by the federal government and a statement if approach chosen to address the policy issue is different from that utilized by agencies of contiguous states or the federal government. (If the approach is different, then include a statement of why the Kansas rule and regulation proposed is different)

Not mandated by the federal government.

- III. Agency analysis specifically addressing following:
 - A. The extent to which the rule(s) and regulation(s) will enhance or restrict business activities and growth;

The revised regulation codifies the existing internal practice and provides guidance to applicants, as required by the statute. The revision is likely to enhance business activity because it clarifies the process for applicants.

B. The economic effect, including a detailed quantification of implementation and compliance costs, on the specific businesses, sectors, public utility ratepayers, individuals, and local governments that would be affected by the proposed rule and regulation and on the state economy as a whole;

Although the agency does not employ an economist, the lay opinion of the agency staff is that the economic effect on the affected businesses and business sector would be positive. The regulation codifies existing practice. Therefore, the net effect will likely be positive, but negligible due to the fact that this does not change existing practices.

APPROVED

AUG 2 5 2020

C. Businesses that would be directly affected by the proposed rule and regulation;

Although licensees are the only parties that would be directly affected, businesses that employ physicians would be affected.

D. Benefits of the proposed rule(s) and regulation(s) compared to the costs;

The regulation reflects current practice. No net implementation and compliance costs are contemplated other than routine agency resources used in regulation promulgation process

E. Measures taken by the agency to minimize the cost and impact of the proposed rule(s) and regulation(s) on business and economic development within the State of Kansas, local government, and individuals;

The statute calls for the agency to promulgate a regulation that clarifies "active practice" for the purposes of endorsement licenses. The regulation reflects current practice. The agency is following the directive of the legislature.

F. An estimate, expressed as a total dollar figure, of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.

<u>\$No</u> implementation cost to this regulation. This regulation clarifies a term in the statute. The statute calls for the agency to promulgate a regulation that clarifies "active practice" for the purposes of endorsement licenses.

An estimate, expressed as a total dollar figure, of the total implementation and compliance costs that are reasonably expected to be incurred by or passed along to business, local governments, or members of the public.

\$There are no discernible costs to business, local governments, or members of the public, other than routine agency and state resources involved in the process of promulgating regulations.

Do the above total implementation and compliance costs exceed \$3.0 million over any two-year period?

YES □ NO ⊠

Give a detailed statement of the data and methodology used in estimating the above cost estimate.

This estimate is based on lay opinion and rationale as described above.

APPROVED

AUG 25 2020

Prior to the submission or resubmission of the proposed rule(s) and regulation(s), did the agency hold a public hearing if the total implementation and compliance costs exceed \$3.0 million over any two-year period to find that the estimated costs have been accurately determined and are necessary for achieving legislative intent? If applicable, document when the public hearing was held, those in attendance, and any pertinent information from the hearing.

YES □ NO ☒

G. If the proposed rule(s) and regulation(s) increases or decreases revenues of cities, counties or school districts, or imposes functions or responsibilities on cities, counties or school districts that will increase expenditures or fiscal liability, describe how the state agency consulted with the League of Kansas Municipalities, Kansas Association of Counties, and/or the Kansas Association of School Boards.

The agency does not believe this revision will meaningfully impact the revenue of cities or school districts.

H. Describe how the agency consulted and solicited information from businesses, associations, local governments, state agencies, or institutions and members of the public that may be affected by the proposed rule(s) and regulation(s).

This revision, along with several others, has been the subject of communications over several years in regard to the need to update the healing arts regulations. This process involved representatives from the University of Kansas School of Medicine, the Kansas Medical Association, and other stakeholders. Further, it should be noted that the Board of Healing Arts is comprised of medical practitioners, business owners, and members of the public. Further, the agency intends to comply with all public hearing requirements involved in the promulgation process.

I. For environmental rule(s) and regulation(s) describe the costs that would likely accrue if the proposed rule(s) and regulation(s) are not adopted, as well as the persons would bear the costs and would be affected by the failure to adopt the rule(s) and regulation(s).

This is not an environmental regulation.

APPROVED

AUG 25 2020