

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

Fiscal Analysis: This bill requires the Boards of Medicine and Nursing to require certain licensees to complete continuing education activities on topics that mitigate implicit and explicit bias in health care.

Data published by the Healthcare Workforce Data Center at the Virginia Department of Health Professions in 2023 and 2024 estimates that there are over 230,000 practitioners across all professions licensed by the Board of Nursing and over 80,000 practitioners across all professions licensed by the Board of Medicine, for a total of around 310,000 individual licensees. This is a conservative estimate as the available data does not cover all specialties and professions licensed by the Board of Medicine. This legislation directs the Boards of Medicine and Nursing (the Boards) to require continuing education activities on bias reduction in healthcare as a condition for license renewal. Requiring such activities as a condition for license renewal suggests that the Boards must employ a mechanism to validate training completion that can be referenced upon each licensee's application for license renewal. Licensees of the Boards are typically required to renew their licenses on a biennial basis, the timing of which can vary depending on the licensee's birth month and year. The Boards will need to direct consistent time and attention to validating training completion for each licensee as their license renewal period approaches.

The Boards will also be required to designate organizations that can identify and facilitate evidence-based curricula on bias reduction in health care, including content on the impact of unconscious racial bias in health care during pregnancy and the postpartum period. The Boards are further required to determine additional practice-related topics for future training sessions centered on bias reduction in health care, including a training on diseases and conditions that are often racialized in clinical practice (such as sickle cell disease). This process is likely to require meaningful investments of time and attention and may require an initial reliance on outside consultation, which, if utilized, would likely result in contractual costs. The necessity and extent of any contractual costs is unknown at this time; as such, they are not included in the fiscal impact table.

In order to manage the responsibilities outlined above, the Department of Health Professions (DHP) estimates that one new full-time position at pay band 5 will be necessary, resulting in a nongeneral fund impact of \$154,900. This employee will coordinate training administration for the more than 310,000 individual licensees engaging with the continuing education curricula. The cost for this employee will be shared between the Boards of Medicine and Nursing and is inclusive of salary, fringe benefits, and non-personnel costs related to operation, training, supplies, and travel. Given that operations of the Boards are wholly sustained by practitioner fee revenue, the increase in nongeneral fund appropriation required to sustain this position may need to be generated through a fee increase for one or both boards.

Additionally, the Boards will be required to implement technological upgrades to their licensure system in order to capture self-reported practitioner data regarding training completion that can be validated during the license renewal process. This would include the addition of new fields on the online license renewal application that can capture data related to the type of training completed, the date of training completion, and other associated details. DHP was recently notified that the current online licensure system utilized by DHP's various regulatory boards will be end-of-life by the start of FY 2028. As part of the system shutdown, the company managing the licensure system has informed DHP that the system will no longer be updated to

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include new capabilities. This means that DHP will not be able to add new fields to the licensure system that can capture data related to completion of bias reduction training until the replacement licensure system is implemented by the start of FY 2028.

It is expected that any costs to support new fields in the replacement system can be incorporated into the overall replacement system contract cost. However, to comply with the requirements of this legislation in FY 2027, DHP will need to temporarily utilize other data collection systems to ensure practitioner compliance with the continuing education requirements. Given the number of practitioners impacted by this legislation, it is possible that DHP may need to temporarily contract with an outside vendor to effectively store and categorize completion data. The scope of work needed to support a temporary data collection system is unknown at this time; as such, any costs associated with this requirement are indeterminate and are not included in the fiscal impact table.

Any costs associated with amending existing regulations or promulgating new regulations in order to reflect the provisions of this bill are expected to be minimal and absorbable within existing resources.

This bill also requires the Department of Health to incorporate new data from the Boards on the number and type of licensees annually completing the bias reduction training as part of their annual report. It is expected that any increase in workload associated with this requirement will be minimal and absorbable within existing resources.

Other: HB1147 may be a companion to SB22. The House of Delegates and the Senate each provided funding for this initiative in their amendments to the introduced budget that is consistent with the estimates in the table above (Item 288 #3h and Item 288 #1s). The Senate amendment also includes one position; the House amendment does not.