



Week in Regulation

\$1.7 Billion in Regulatory Costs

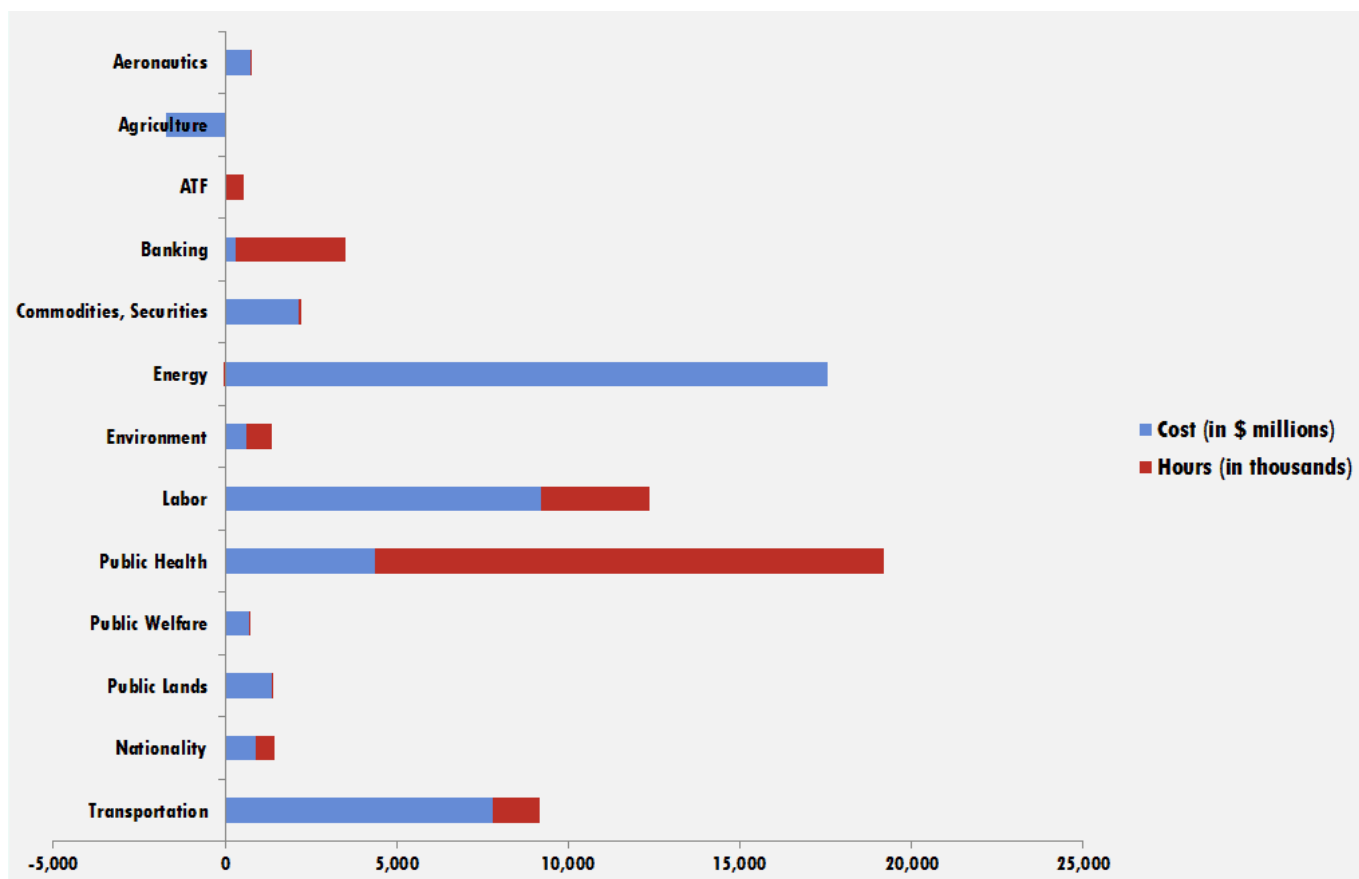
SAM BATKINS | APRIL 4, 2016

Health care regulation helped to drive up costs by \$1.7 billion this week. Annual costs were \$450 million, compared to \$2.3 billion in benefits; paperwork actually declined by more than 130,000 hours. The administration's plan to combat opioid abuse highlighted the week. **The per capita regulatory burden for 2016 is \$136.**

Regulatory Toplines

- New Proposed Rules: 35
- New Final Rules: 92
- 2016 Total Pages of Regulation: 19,020
- 2016 Final Rules: \$29.39 Billion
- 2016 Proposed Rules: \$14.6 Billion

The American Action Forum (AAF) has catalogued regulations according to their codification in the Code of Federal Regulations (CFR). The CFR is organized into 50 titles, with each title corresponding to an industry or part of government. This snapshot will help to determine which sectors of the economy receive the highest number of regulatory actions.



The opioid proposed rule is designed to increase physician access to patients who abuse opioids and reduce the chance these drugs will be used for unlawful purposes. The administration estimates present value benefits of more than \$11 billion, with \$2.3 billion in annual health benefits, compared to annual costs of \$201 million. The proposal estimates more patients will be treated, up to 58,500 more by year five of the program, and there will be more time to treat patients.

The Federal Aviation Administration (FAA) finalized a rule to enhance flight qualifications for “extended envelope” and adverse weather conditions. After the crash of [Air France 447](#), greater attention has been paid to manual piloting skills, when the autopilot is off or does not function. The 2009 crash of a commuter plane near Buffalo also prompted regulators and airlines to focus more on upset recovery, with less dependence on automation. FAA estimates costs of \$70 million annually and notes benefits will exceed costs if just one plane crash is avoided.

There was also a lone deregulatory measure this week. The perennial leader in cost-cutting, the Department of Transportation, finalized a measure to eliminate \$11 million in costs and reduce paperwork by 210,000 hours. This brings the deregulatory total in 2016 to \$1.9 billion in reduced costs and more than 280,000 in fewer paperwork burden hours.

Affordable Care Act

The administration also finalized a rule to bring greater mental health parity to children's health insurance and Medicaid. The total costs of the measure could eclipse \$570 million, with more than 48,000 paperwork burden hours.

Since passage, based on total lifetime costs of the regulations, the Affordable Care Act has imposed costs of \$52.8 billion in state and private-sector burdens and 187.2 million annual paperwork hours ([170.6 million](#) from final rules).

Dodd-Frank

[Click here](#) to view the total estimated revised costs from Dodd-Frank; since passage, the legislation has produced more than 76.5 million paperwork burden hours and imposed \$39.2 billion in direct compliance costs.

Total Burdens

Since January 1, the federal government has published \$44 billion in compliance costs (\$29.39 billion in final rules) and has imposed 25.1 million in net paperwork burden hours (10.7 million from final rules). Click below for the latest [Reg Rodeo](#) findings.

