

ARKANSAS STATE BOARD OF PHARMACY

Enabling Laws

Act 27 of 2012

A.C.A. §17-92-101 et seq. (The Pharmacy Practice Act)

A.C.A. §5-64-1005 - 1103 (Uniformed Controlled Substances Act)

A.C.A. §20-64-501 - 513 (Controlled Substances and Legend Drug)

History and Organization

The Pharmacy Practice Act was passed in 1929 to regulate the practice of pharmacy in Arkansas. Arkansas Code Annotated §17-92-201 through §17-92-208 provides for the organization and composition of the Arkansas State Board of Pharmacy and its staff. The Board is composed of six pharmacist members, one consumer member, and one senior citizen member, for a total of eight members. The enforcement and administrative staff provide support necessary for the Agency to function properly.

The mission of the Arkansas State Board of Pharmacy is to promote, preserve, and protect the public health, safety, and welfare by and through the effective regulation of the many aspects of the drug delivery system. The Agency licenses and regulates not only pharmacists, pharmacy interns and pharmacy technicians, but also the distribution system where there is sale, delivery, or distribution of prescription drugs, medical gases, and durable medical equipment and legend devices.

To accomplish this mission, the Arkansas State Board of Pharmacy promulgates rules and regulations regarding: the practice of pharmacy; licenses, regulates and disciplines licensees; tests applicants and pharmacy practitioners; inspects facilities; and, distributes information regarding pharmacy law and regulation. Services provided by the Board include, but are not limited to: serving as an information source for pharmacists, businesses and the public; resolving complaints from the public against licensees; licensing and testing pharmacists; licensing interns; registering technicians; providing criminal background checks for individuals practicing pharmacy in Arkansas; licensing businesses engaged in the practice of pharmacy in Arkansas, including those who ship into Arkansas; providing reciprocity for pharmacists from other states; working with other agencies to improve the public health; publishing a quarterly newsletter; and maintaining a web site with information and support for practitioners and the public. The Arkansas State Board of Pharmacy licenses/registers 4,803 pharmacists, 666 pharmacy interns, 6,791 pharmacy technicians, 755 in-state pharmacies, 362 out-of-state pharmacies, 182 hospitals, 29 institutions, 5 specialty pharmacies, 132 charitable clinics, 36 distributors of List I chemicals, 1,323 wholesale distributors of legend drugs, and 688 suppliers of medical equipment, legend devices and medical gas.

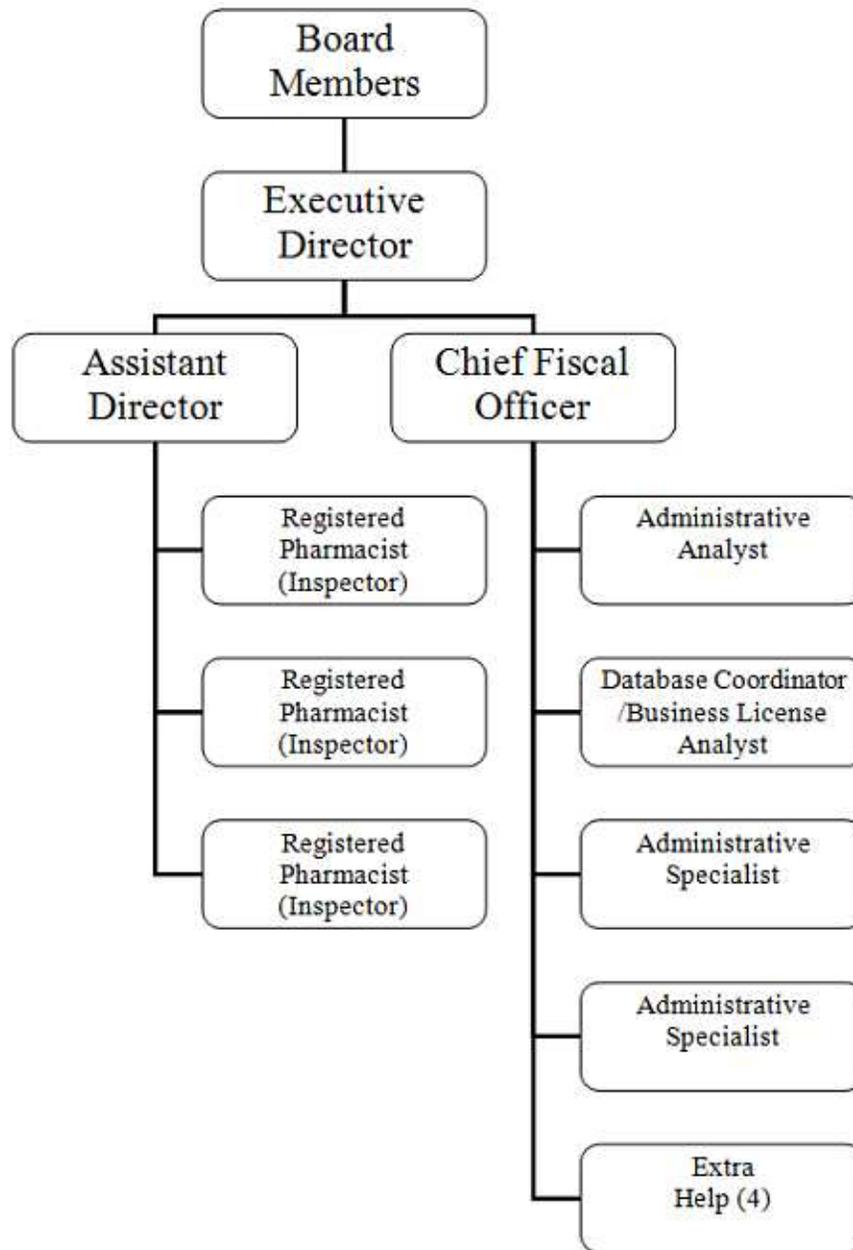
The Tripartite Committee on Continuing Education consists of the Executive Director of the Board of Pharmacy, the Executive Director of the Arkansas Pharmacists Association (APA), and the Dean of the College of Pharmacy at the University of Arkansas for Medical Sciences (UAMS.) The three members of the committee meet periodically to discuss the challenges that continuing education present. Since the Board of Pharmacy establishes the guidelines for continuing education for Arkansas pharmacists, it is necessary for the major continuing education providers (APA and UAMS) to be aware of the Board's requirements and any changes which may be considered. This ensures that the competencies of pharmacists are continually upgraded and the health and welfare of the public is protected.

During the 1997 legislative session, the Pharmacy Practice Act was amended (Arkansas Code Annotated §17-92-209) to allow pharmacists to administer medications and immunizations in certain situations. The change provided that a Medications Advisory Committee be created. This committee assists the Board in implementing the provisions of the legislation with regard to the administration of medications and recommends additional classifications of medications which may be administered by pharmacists.

Arkansas Code Annotated §17-92-702 created a five-member committee to organize and administer the Impaired Pharmacist Program. This program was established to provide assistance to pharmacists recovering from drug and/or alcohol problems. The committee works with the Board to evaluate pharmacists who request participation in the program; review and designate treatment facilities and services; receive and review information relating to the participation of pharmacists, interns and technicians in the program; assist the pharmacists' professional association in publicizing the program; and by preparing reports for the Board of Pharmacy.

The five-member Advisory Committee for Hospital Pharmacy was created by Arkansas Code Annotated §17-92-603 to assist the Board in the promulgation of rules, regulations and standards for hospital pharmacies. This committee advises the Board on matters related to the numbers and the scope of responsibilities for pharmacists, interns and technicians employed by hospitals to ensure the hospital pharmacy's safe, efficient and economical operation; and to recommend equipment and supplies necessary for the safe operation of the pharmacy.

The five-member Advisory Committee for Suppliers of Medical Equipment, Legend Devices and Medical Gas was created by Arkansas Annotated §17-92-909 to assist the Board in the promulgation of rules, regulations and standards for Suppliers of Medical Equipment, Legend Devices and Medical Gas. This committee reviews regulation changes before they are adopted by the Board and makes recommendations to the Board on the merit of all regulations dealing with medical equipment, legend devices and medical gases which are proposed by the Board, before they are adopted by the Board.



Agency Commentary

The Arkansas State Board of Pharmacy is responsible for licensing and oversight of pharmacists, interns, pharmacy technicians, pharmacies, wholesale drug distributors, list 1 chemical wholesale distribution for methamphetamine precursor chemicals, durable medical equipment providers, hospital pharmacies and other related businesses engaged in the practice of pharmacy in Arkansas. Funding for the agency consists of licensure and permit fees as well as assessed monetary penalties. The agency is requesting appropriation of \$1,647,749 for FY14 and \$1,626,391 for FY15.

In order to more effectively accomplish its mission of promoting, preserving and protecting the public welfare, the Arkansas State Board of Pharmacy, following a unanimous vote of support from board members during a June, 2012 meeting, plans to relocate during the summer of 2013. This relocation will significantly improve the Board's ability to provide greater public service by adding needed space for public meetings, board meetings and will also allow the Board of Pharmacy to increase our outreach efforts to pharmacies, pharmacists and other interested parties by providing educational programs related to prescription drug abuse and the prevention/identification of prescription drug diversion. The Board has worked diligently with partner agencies in these efforts but has been unable to directly provide educational programming along these lines due to space limitations. The Board has discussed partnering with the Arkansas Drug Director's office in these efforts by sharing our space for educational meetings and programs designed to decrease prescription drug abuse in Arkansas.

The State Board of Pharmacy's current office space is inadequate in many aspects, including a board meeting area which is insufficient and does not comply with the Americans with Disabilities Act. The Board offices also lack a testing area for applicants which consistently requires staff members and applicants to utilize borrowed or shared facilities, which are not always available. The Board's current office does not have a sufficient reception area which causes reciprocity applicants and individuals attending Board meetings to wait outside of the Board office in a common hallway pending review of their application or specific topics by the Board. Even after placing chairs in every possible location near the Board meeting area, there is a lack of seating space for public visitors, licensees and board meeting attendees. The Board's current space also creates security concerns for staff and board members as there is very little security in our current location.

In FY14, the Board is requesting a total of \$134,126 in additional Operating Expenses appropriation in order to support an increase in facility rent, additional telecommunications and network expenses, as well as an increase supporting the Board's ongoing efforts to continue with document management efficiency. The Board requests a total of \$40,000 in Capital Outlay for furnishings and equipment required in support of the Board's relocation. The Board also requests additional appropriation of \$3,790 for board member stipends due to increased number of meetings involving board members.

In FY15, the Board respectfully requests additional Operating Expenses appropriation in the amount of \$132,126 for continued support of facility rent, additional telecommunications and network expenses, and document management efforts. The Board also requests an additional \$20,000 in Capital Outlay for additional furnishings and equipment needed as Board members and staff evaluate additional needs after becoming established within new office space, as well as \$3,790 in additional appropriation for continued board member stipends.

No increase is requested for the Pharmacy Student Loan appropriation.

The Board has sufficient funding to meet all increases being requested and is not asking for any increases in fees charged for Board of Pharmacy permits.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE BOARD OF PHARMACY
FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

None

None

State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012

None

Employment Summary

	Male	Female	Total	%
White Employees	4	5	9	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			9	100 %

Publications

A.C.A. 25-1-204

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
Annual Report	17-92-206(B)	Y	N	25	This report is furnished to the Governor, board members, Colleges of Pharmacy, and other interested parties. It lists all of the licenses and permits issued. It is required by statute.
Directory of Pharmacies	17-92-206(B)	Y	N	25	This directory is furnished to the Governor, board members, Colleges of Pharmacy, and other interested parties. It lists all pharmacies, their addresses, and the pharmacists working.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014					2014-2015						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
58P Pharmacy Student Loans	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0	50,000	0
860 Pharmacy Board-Treasury	1,248,264	9	1,415,684	10	1,399,481	10	1,419,833	10	1,597,749	10	1,597,749	10	1,420,475	10	1,576,391	10	1,576,391	10
Total	1,298,264	9	1,465,684	10	1,449,481	10	1,469,833	10	1,647,749	10	1,647,749	10	1,470,475	10	1,626,391	10	1,626,391	10

Funding Sources		%		%		%		%		%		%		%		%		%	
Fund Balance	4000005	2,099,080	58.4	2,296,995	67.2			1,950,758	55.8	1,950,758	55.8	1,950,758	55.8	2,024,415	59.8	1,846,499	57.6	1,846,499	57.6
Cash Fund	4000045	1,496,179	41.6	1,119,447	32.8			1,543,490	44.2	1,543,490	44.2	1,543,490	44.2	1,360,804	40.2	1,360,804	42.4	1,360,804	42.4
Transfers / Adjustments	4000683	0	0.0	0	0.0			0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total Funds		3,595,259	100.0	3,416,442	100.0			3,494,248	100.0	3,494,248	100.0	3,494,248	100.0	3,385,219	100.0	3,207,303	100.0	3,207,303	100.0
Excess Appropriation/(Funding)		(2,296,995)		(1,950,758)				(2,024,415)		(1,846,499)		(1,846,499)		(1,914,744)		(1,580,912)		(1,580,912)	
Grand Total		1,298,264		1,465,684				1,469,833		1,647,749		1,647,749		1,470,475		1,626,391		1,626,391	

FY13 Budget amount in Appropriation (860) Pharmacy Board-Treasury exceeds the authorized amount due to matching rate adjustments during the 2011-2013 biennium.

Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
10	9	1	10	0	10.00 %	10	9	1	10	0	10.00 %	10	9	1	10	0	10.00 %

Analysis of Budget Request

Appropriation: 58P - Pharmacy Student Loans

Funding Sources: NPB - Cash in Treasury

The Board initially provided \$550,000 in FY10 from fund balances to the UAMS-School of Pharmacy for the purpose of providing student loans to pharmacy students. The appropriation was reduced to \$50,000 in FY11 should additional funding be required and has stayed at that level through the current fiscal year.

The Board is requesting Base Level for the 2013-2015 biennium.

The Executive Recommendation provides for Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 58P - Pharmacy Student Loans

Funding Sources: NPB - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Investments/Transfers 5110020	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Funding Sources									
Transfers / Adjustments 4000683	50,000	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Total Funding	50,000	50,000		50,000	50,000	50,000	50,000	50,000	50,000
Excess Appropriation/(Funding)	0	0		0	0	0	0	0	0
Grand Total	50,000	50,000		50,000	50,000	50,000	50,000	50,000	50,000

Analysis of Budget Request

Appropriation: 860 - Pharmacy Board-Treasury

Funding Sources: NPB - Cash in Treasury

The State Board of Pharmacy is responsible for licensing pharmacists, interns, pharmacy technicians, pharmacies and businesses engaged in the practice of pharmacy in Arkansas. The Board is composed of six pharmacist members, one consumer member, and one senior citizen member, for a total of eight members. The State Board of Pharmacy is funded from penalties and fees charged by the Board.

Base Level Regular Salaries and Personal Services Matching includes Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments.

The Pharmacy Board currently has ten full-time positions and four extra help positions providing administrative support for daily operations. Base Level for staff and supporting operations is \$1,419,833 in FY14 and \$1,420,475 in FY15.

The Agency change level request totals \$177,916 in FY14 and \$155,916 in FY15 and includes the following:

- Regular Salaries of \$3,790 in each year of the biennium for additional board member stipends.
- Operating Expenses of \$134,126 in FY14 and \$132,126 in FY15 for projected increases in rent, telecommunications and network services related to relocation to a new office and in support of ongoing document management efficiency.
- Capital Outlay of \$40,000 in FY14 and \$20,000 in FY15 for equipment and furnishings needed in support of relocating to a new office space.

The Executive Recommendation provides for Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 860 - Pharmacy Board-Treasury

Funding Sources: NPB - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	735,103	759,789	757,520	760,389	764,179	764,179	760,489	764,279	764,279
#Positions	9	10	10	10	10	10	10	10	10
Extra Help 5010001	11,418	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
#Extra Help	1	4	4	4	4	4	4	4	4
Personal Services Matching 5010003	199,462	210,816	196,882	214,365	214,365	214,365	214,907	214,907	214,907
Operating Expenses 5020002	262,611	333,859	333,859	333,859	467,985	467,985	333,859	465,985	465,985
Conference & Travel Expenses 5050009	16,314	17,220	17,220	17,220	17,220	17,220	17,220	17,220	17,220
Professional Fees 5060010	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Refunds/Reimbursements 5110014	1,770	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Capital Outlay 5120011	13,808	0	0	0	40,000	40,000	0	20,000	20,000
Impaired Pharmacist Program 5900046	7,778	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Total	1,248,264	1,415,684	1,399,481	1,419,833	1,597,749	1,597,749	1,420,475	1,576,391	1,576,391

Funding Sources										
Fund Balance 4000005	2,099,080	2,296,995		1,950,758	1,950,758	1,950,758	2,024,415	1,846,499	1,846,499	
Cash Fund 4000045	1,496,179	1,119,447		1,543,490	1,543,490	1,543,490	1,360,804	1,360,804	1,360,804	
Transfers / Adjustments 4000683	(50,000)	(50,000)		(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	
Total Funding	3,545,259	3,366,442		3,444,248	3,444,248	3,444,248	3,335,219	3,157,303	3,157,303	
Excess Appropriation/(Funding)	(2,296,995)	(1,950,758)		(2,024,415)	(1,846,499)	(1,846,499)	(1,914,744)	(1,580,912)	(1,580,912)	
Grand Total	1,248,264	1,415,684		1,419,833	1,597,749	1,597,749	1,420,475	1,576,391	1,576,391	

FY13 Budget amount in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2011-2013 biennium.

Change Level by Appropriation

Appropriation: 860 - Pharmacy Board-Treasury
Funding Sources: NPB - Cash in Treasury

Agency Request

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,419,833	10	1,419,833	100.0	1,420,475	10	1,420,475	100.0
C01	Existing Program	177,916	0	1,597,749	112.5	155,916	0	1,576,391	111.0

Executive Recommendation

Change Level		2013-2014	Pos	Cumulative	% of BL	2014-2015	Pos	Cumulative	% of BL
BL	Base Level	1,419,833	10	1,419,833	100.0	1,420,475	10	1,420,475	100.0
C01	Existing Program	177,916	0	1,597,749	112.5	155,916	0	1,576,391	111.0

Justification

C01	Agency requests appropriation in the amount of \$134,126 and \$132,126 in Operating Expenses to cover projected increases in rent, telecommunications and network services related to relocation and in support of ongoing document management efficiency. Agency requests \$40,000 in Capital Outlay in FY14 and \$20,000 in FY15 for furnishings and equipment required in support of relocating and future needs as evaluated once agency becomes established in new office space. Agency requests appropriation in the amount of \$3,790 each year of the biennium to cover additional board member stipends
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