

ARKANSAS STATE BOARD OF PHARMACY

Enabling Laws

Act 522 of 2007

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; maintaining a website with information and support for practitioners and the public; and publishing a quarterly newsletter for pharmacists. The Arkansas State Board of Pharmacy licenses/registers 4,184 pharmacists, 463 pharmacy interns, 5,497 pharmacy technicians, 751 in-state pharmacies, 272 out-of-state pharmacies, 183 hospitals, 24 institutions, 3 specialty pharmacies, 120 charitable clinics, 56 distributors of List I chemicals, 1,009 wholesale distributors of legend drugs, and 401 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

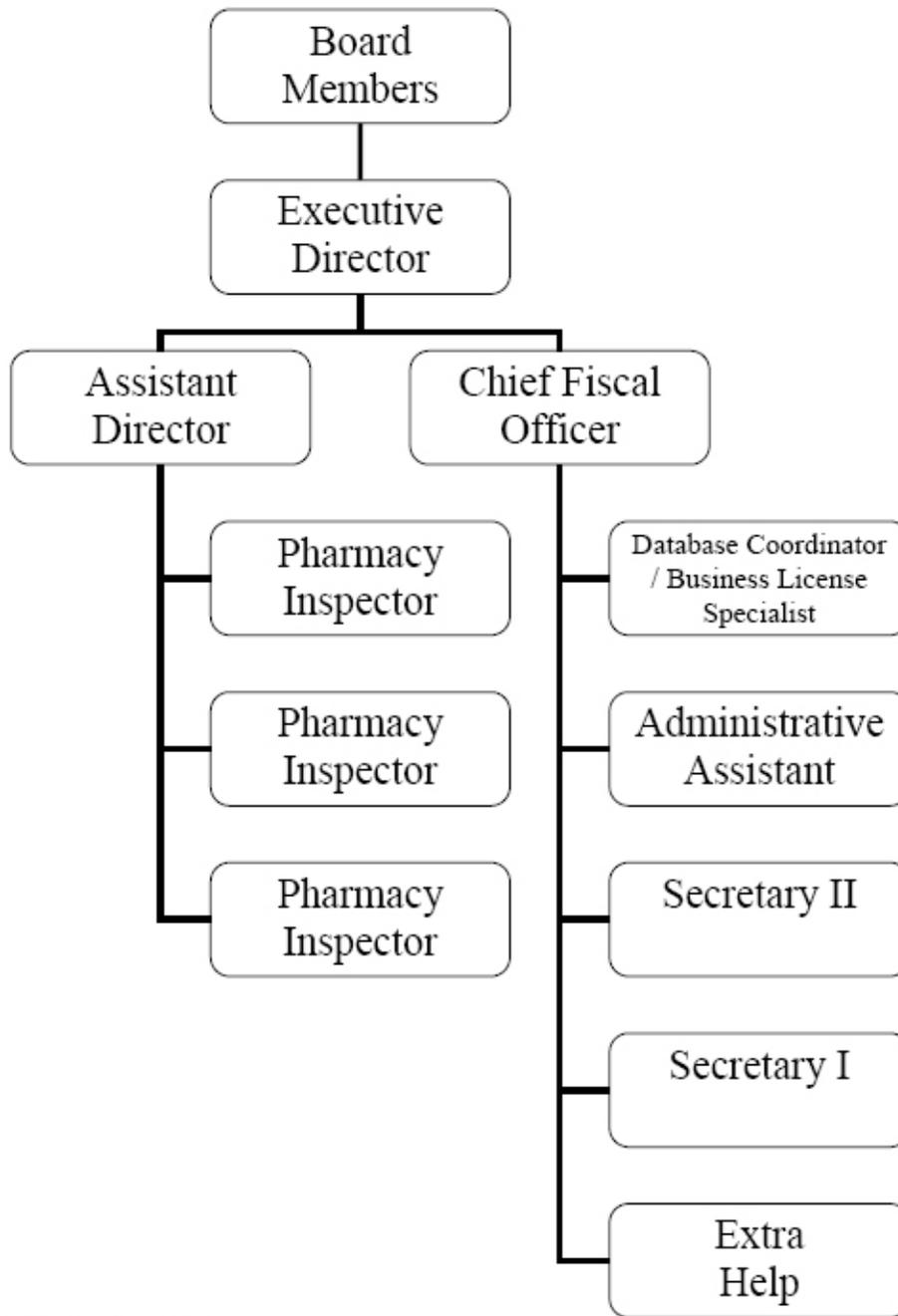
pharmacists are continually upgraded and the health and welfare of the public is protected.

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.



Effective June 2008

Agency Commentary

The Arkansas State Board of Pharmacy is responsible for licensing pharmacists, interns, pharmacy technicians, pharmacies, and other businesses engaged in the practice of pharmacy in Arkansas. Funding for the agency consists of license and permit fees, and penalties paid by license and permit holders. The agency is requesting appropriations of \$1,314,555 in FY10 and \$1,334,524 in FY11. In addition to the Base Level, the Board is requesting increases for extra help and the corresponding personal services matching, postage, and office supplies. A reallocation of \$4,460 from Data Processing to Operating Expenses is being requested. The Board pays the Dept. of Information Systems a monthly fee to provide support for their licensure database(GL Suites). This expense should be paid from the Operating Expenses line item.

The current extra help appropriation level of \$8,000 per year has remained steady for over twenty years. The Board is requesting an increase of \$8,000 per year of extra help appropriation, and \$616 of personal services matching. The additional appropriation would give the Board the flexibility to use extra help positions for a variety of intermittent activities, such as filing during renewal season, assisting the pharmacy inspectors with continuing education audits, and as general office help during board meetings.

As the number of applicants for and holders of all license types has steadily increased, the Board has incurred rising costs of printing and mailing application packets, permits, renewal notices, and other required communications. An additional appropriation of \$7,000 per year for postage and \$5,000 per year for office supplies, primarily paper, is requested.

The Board has sufficient funding to meet all increases being requested.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
ARKANSAS STATE BOARD OF PHARMACY
FOR THE YEAR ENDED JUNE 30, 2007

Findings	Recommendations
None	None

Employment Summary

	Male	Female	Total	%
White Employees	5	3	8	89 %
Black Employees	0	1	1	11 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			1	11 %
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	The report is sent to the Governor, board members, the College of Pharmacy, and other interested parties. It lists all of the licenses and permits issued. It is required by statute.

A.C.A. 25-1-204

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

Agency Position Usage Report

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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			Total	Total	Filled	Unfilled			Total	Total	Filled	Unfilled	
9	9	1	10	-1	0.00 %	10	9	1	10	0	10.00 %	10	9	1	10	0	10.00 %

In FY07 the agency received a supplemental position, resulting in the total number of budgeted positions being greater than the number of positions authorized in the 2005-07 biennium act. This position is currently authorized in the 2007-09 biennium.

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 positions were changed from unclassified to classified to reflect the recommendations of the Pay Plan Study and salaries were adjusted accordingly. A 2.3% Cost of Living Allowance is reflected in the second year of the biennium for all positions except the Director of Pharmacy. The person's salary in this position is at the maximum pay grade level of the Professional and Executive Pay Plan Grid. The Base Level request for Regular Salaries may include board member Stipend payments and Career Service payments for eligible employees. Personal Services Matching includes a \$75 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$425.

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 \$1,293,939 in FY10 and \$1,313,908 in FY11. Changes to Base Level include additional Extra Help and Personal Services Matching of \$8,616 each year to provide assistance during renewal season and board meetings. This amount has not been increased in over twenty years. A steady growth in the number of applicants and holders of various licenses processed each year by the Board has resulted in a need for additional Operating Expenses of \$12,000 each year for postage and office supplies. A reallocation of \$4,460 from Data Processing to Operating Expenses is included in the request to properly classify these expenses in the State's accounting system. The Board uses this appropriation to pay a monthly fee to the Department of Information Systems to provide support for their licensure database (GL Suites).

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			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	2009-2010			2010-2011		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	723,825	783,672	654,729	804,395	804,395	804,395	820,310	820,310	820,310
#Positions	10	10	10	10	10	10	10	10	10
Extra Help 5010001	7,668	8,000	8,000	8,000	16,000	16,000	8,000	16,000	16,000
#Extra Help	1	4	4	4	4	4	4	4	4
Personal Services Matching 5010003	184,596	183,907	173,512	197,910	198,526	198,526	201,964	202,580	202,580
Operating Expenses 5020002	207,716	233,954	233,954	233,954	250,414	250,414	233,954	250,414	250,414
Conference & Travel Expenses 5050009	8,780	17,220	17,220	17,220	17,220	17,220	17,220	17,220	17,220
Professional Fees 5060010	4,995	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Data Processing 5090012	3,600	4,460	4,460	4,460	0	0	4,460	0	0
Refunds/Reimbursements 5110014	380	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	1,141,560	1,259,213	1,119,875	1,293,939	1,314,555	1,314,555	1,313,908	1,334,524	1,334,524
Funding Sources									
Fund Balance 4000005	2,140,261	2,308,232		2,272,353	2,272,353	2,272,353	2,282,714	2,282,714	2,282,714
Cash Fund 4000045	1,309,531	1,223,334		1,304,300	1,324,916	1,324,916	1,107,668	1,128,284	1,128,284
Total Funding	3,449,792	3,531,566		3,576,653	3,597,269	3,597,269	3,390,382	3,410,998	3,410,998
Excess Appropriation/(Funding)	(2,308,232)	(2,272,353)		(2,282,714)	(2,282,714)	(2,282,714)	(2,076,474)	(2,076,474)	(2,076,474)
Grand Total	1,141,560	1,259,213		1,293,939	1,314,555	1,314,555	1,313,908	1,334,524	1,334,524

Actual/Budgeted Regular Salaries and Personal Services Matching exceed the Authorized Amounts due to Legislative changes in salaries of unclassified positions without providing required appropriation.

Change Level by Appropriation

Appropriation: 860 - Pharmacy Board-Treasury

Funding Sources: NPB - Cash in Treasury

Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,293,939	10	1,293,939	100.0	1,313,908	10	1,313,908	100.0
C01	Existing Program	20,616	0	1,314,555	101.6	20,616	0	1,334,524	101.6
C04	Reallocation	0	0	1,314,555	101.6	0	0	1,334,524	101.6

Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
BL	Base Level	1,293,939	10	1,293,939	100.0	1,313,908	10	1,313,908	100.0
C01	Existing Program	20,616	0	1,314,555	101.6	20,616	0	1,334,524	101.6
C04	Reallocation	0	0	1,314,555	101.6	0	0	1,334,524	101.6

Justification

C01	Requesting \$8,616 per year for extra help and matching to give the Board the flexibility to use extra help positions for a variety of intermittent activities, such as filing during renewal season, assisting the pharmacy inspectors with continuing education audits, and as general office help during board meetings. Requesting \$7,000 per year for postage and \$5,000 per year for office supplies to meet the rising costs of printing and mailing application packets, permits, renewal notices, and other required communications.
C04	The Board pays the Dept. of Information Systems a monthly fee to provide support for their licensure database(GL Suites). This expense should be paid from the Operating Expenses line item not Data Processing.