

**FY 2010 BUDGET REDUCTIONS - SUMMARY OF ISSUES
BOARD OF PHARMACY**

ALL NON-GENERAL FUNDS

FY 2010 All Non-General Funds Budget (less Federal Funds) **1,931,500**

AGENCY REDUCTION TARGET - ALL NON-GENERAL FUNDS (w/o Federal Funds) **\$289,700**

Fund	Reductions Amount	Percent Reductions
Pharmacy Board Fund	<u>\$289,725</u>	100.0%
Issue Total	<u>\$289,725</u>	
All Non-General Funds Total as a Percentage of Agency Non-GF Reduction Target		100%

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**FY 2010 BUDGET REDUCTIONS - SUMMARY OF ISSUES
BOARD OF PHARMACY**

Pharmacy Board Fund

FY 2010 All Non-General Funds Budget (less Federal Funds) 1,931,500

AGENCY REDUCTION TARGET - ALL NON-GENERAL FUNDS (w/o Federal Funds) \$289,700

Priority	Issue Title¹	Reductions Amount
1	Don't replace 2 Compliance Officer Positions (continue hiring freeze)	\$199,725
2	Stop Controlled Substances Prescription Monitoring Program January 2010	\$90,000
	Issue Total	\$289,725
	Fund Total as a Percentage of General Fund Reduction Target	100%

Please complete the attached Description and Impact Statement for each issue.

STATE OF ARIZONA
FY 2010 BUDGET REDUCTIONS - ISSUE DESCRIPTIONS

Board of Pharmacy

Issue Title: Continue Hiring Freeze – Don't replace two Compliance Officers

Issue Priority: 1

Reduction Amounts:

2052 Fund: \$199,725.00

Total: \$199,725.00

Issue Description and Statement of Effects

- *Permitted facility inspection and consumer complaint investigations will be reduced at least 15 – 20%;*
- *the effects of not performing those functions will be a potential threat to public health and safety due to non-compliance with the Pharmacy Act, Food Drug & Cosmetic Act and the Controlled Substances Act;*
- *possible alternative ways to fund the positions: fees were essentially raised to statutory limits in March 2009 in anticipation of the shortfall, legislative action will be required to raise statutory limit;*
- *The compliance officers work all over the state of Arizona, wherever pharmacies, wholesalers, manufacturers, compressed medical gas and non prescription retailers are located; and*

The legal citation for this function is: ARS § 32-1904. Powers and duties of board; immunity

A. The board shall:

1. Make bylaws and adopt rules that are necessary for the protection of the public and that pertain to the practice of pharmacy, the manufacturing, wholesaling or supplying of drugs, devices, poisons or hazardous substances, the use of pharmacy technicians and support personnel and the lawful performance of its duties.
2. Fix standards and requirements for the registration and reregistration of pharmacies, except as otherwise specified.
3. Investigate compliance as to the quality, label and labeling of all drugs, devices, poisons or hazardous substances and take action necessary to prevent the sale of these if they do not conform to the standards prescribed in this chapter, the official compendium or the federal act.
4. Enforce its rules. In so doing, the board or its agents have free access at all reasonable hours to any pharmacy, manufacturer, wholesaler, nonprescription drug permittee or other establishment in which drugs, devices, poisons or hazardous substances are manufactured, processed, packed or

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held, or to enter any vehicle being used to transport or hold such drugs, devices, poisons or hazardous substances for the purpose:

(a) Of inspecting the establishment or vehicle to determine if any provisions of this chapter or the federal act are being violated.

(b) Of securing samples or specimens of any drug, device, poison or hazardous substance after paying or offering to pay for such sample.

(c) Of detaining or embargoing a drug, device, poison or hazardous substance in accordance with section 32-1994.

5. Examine and license as pharmacists and pharmacy interns all qualified applicants as provided by this chapter.

6. Issue duplicates of lost or destroyed permits on the payment of a fee as prescribed by the board.

7. Adopt rules for the rehabilitation of pharmacists and pharmacy interns as provided by this chapter.

8. At least once every three months, notify pharmacies regulated pursuant to this chapter of any modifications on prescription writing privileges of podiatrists, dentists, doctors of medicine, registered nurse practitioners, osteopathic physicians, veterinarians, physician assistants, optometrists and homeopathic physicians of which it receives notification from the board of podiatry examiners, board of dental examiners, Arizona medical board, board of nursing, board of osteopathic examiners in medicine and surgery, veterinary medical examining board, Arizona regulatory board of physician assistants, board of optometry or board of homeopathic and integrated medicine examiners.

B. The board may:

1. Employ chemists, compliance officers, clerical help and other employees and provide laboratory facilities for the proper conduct of its business.

2. Provide, by education of and information to the licensees and to the public, assistance in the curtailment of abuse in the use of drugs, devices, poisons and hazardous substances.

3. Approve or reject the manner of storage and security of drugs, devices, poisons and hazardous substances.

4. Accept monies and services to assist in the enforcement of this chapter from other than licensees:

(a) For performing inspections and other board functions.

(b) For the cost of copies of the pharmacy and controlled substances laws, the annual report of the board and other information from the board.

5. Adopt rules for professional conduct appropriate to the establishment and maintenance of a high standard of integrity and dignity in the profession of pharmacy.

6. Grant permission to deviate from a state requirement for experimentation and technological advances.

7. Adopt rules for the training and practice of pharmacy interns, pharmacy technicians and support personnel.

8. Investigate alleged violations of this chapter, conduct hearings in respect to violations, subpoena witnesses and take such action as it deems necessary to revoke or suspend a license or a permit, place a licensee or permittee on probation or warn a licensee or permittee under this chapter or to bring notice of violations to the county attorney of the county in which a violation took place or to the attorney general.

9. By rule, approve colleges or schools of pharmacy.

10. By rule, approve programs of practical experience, clinical programs, internship training programs, programs of remedial academic work and preliminary equivalency examinations as provided by this chapter.

11. Assist in the continuing education of pharmacists and pharmacy interns.

12. Issue inactive status licenses as provided by this chapter.

13. Accept monies and services from the federal government or others for educational, research or other purposes pertaining to the enforcement of this chapter.

14. By rule, except from the application of all or any part of this chapter any material, compound, mixture or preparation containing any stimulant or depressant substance included in section 13-3401, paragraph 6, subdivision (b) or (c) from the definition of dangerous drug if the material, compound, mixture or preparation contains one or more active medicinal ingredients not having a stimulant or depressant effect on the central nervous system, provided that such admixtures are included in such combinations, quantity, proportion or concentration as to vitiate the potential for abuse of the substances that do have a stimulant or depressant effect on the central nervous system.

15. Adopt rules for the revocation, suspension or reinstatement of licenses or permits or the probation of licensees or permittees as provided by this chapter.

C. The executive director and other permanent or temporary personnel or agents of the board are not subject to civil liability for any act done or proceeding undertaken or performed in good faith and in furtherance of the purposes of this chapter.

**STATE OF ARIZONA
FY 2010 BUDGET REDUCTIONS - ISSUE DESCRIPTIONS**

Board of Pharmacy

Issue Title: Terminate Contract with Vendor for
Controlled Prescription Monitoring Program

Issue Priority: 02

Reduction Amounts:

2052 Fund: \$90,000.00

Total: \$90,000.00

Issue Description and Statement of Effects

ARS § 36-2602. Controlled substances prescription monitoring program; contracts; retention and maintenance of records

A. The board shall adopt rules to establish a controlled substances prescription monitoring program. The program shall:

1. Include a computerized central database tracking system to track the prescribing, dispensing and consumption of schedule II, III and IV controlled substances that are dispensed by a medical practitioner or by a pharmacy that holds a valid license or permit issued pursuant to title 32. The tracking system shall not interfere with the legal use of a controlled substance for the management of severe or intractable pain.
2. Assist law enforcement to identify illegal activity related to the prescribing, dispensing and consumption of schedule II, III and IV controlled substances.
3. Provide information to patients, medical practitioners and pharmacists to help avoid the inappropriate use of schedule II, III and IV controlled substances.
4. Be designed to minimize inconvenience to patients, prescribing medical practitioners and pharmacies while effectuating the collection and storage of information.

B. The board may enter into private or public contracts, including intergovernmental agreements pursuant to title 11, chapter 7, article 3, to ensure the effective operation of the program. Each contractor must comply with the confidentiality requirements prescribed in this article and is subject to the criminal penalties prescribed in section 36-2610.

C. The board shall maintain medical records information in the program pursuant to the standards prescribed in section 12-2297.

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