

Oregon Board of Pharmacy
2021-23 Budget Presentation
(Governor's Budget)



Joint Ways and Means
Education Subcommittee
February 1, 2021
8:30 PM - Room H-178 (Remote Meeting)

Presented by:

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The Oregon Board of Pharmacy serves to promote and protect public health, safety and welfare by ensuring high standards in the practice of pharmacy and through effective regulation of the manufacture and distribution of drugs.

Executive Summary

The Oregon Board of Pharmacy (OBOP), established in 1891 under ORS Chapter 689 regulates the practice of pharmacy and the commerce and quality of all prescription and non-prescription drugs within and into the State. In addition, the Board has authority and responsibilities contained in ORS Chapter 475, the Uniform Controlled Substances Act to oversee drugs with abuse or addiction potential and the research and scheduling of controlled drugs in Oregon. The practice of pharmacy in the State of Oregon is declared a professional practice affecting public health, safety and welfare and is subject to regulation and control in the public interest. The Legislature further declared it to be a matter of public interest and concern that the practice of pharmacy merit and receive the confidence of the citizens of Oregon and that only qualified persons be permitted to engage in the practice of pharmacy in the State of Oregon.

The Board of Pharmacy consists of nine board members appointed by the Governor and confirmed by the State Senate, including two public members, five pharmacists and two pharmacy technicians. In addition, there is a seven-member Public Health and Pharmacy Formulary Advisory Committee made up of three pharmacists, two physicians and two advanced practice nurses. This Committee, appointed by the Governor, was established to review concepts for drugs, devices, and protocols that pharmacists may safely prescribe and to make recommendations to the Board for adoption by rule. The agency's staff currently consists of twenty-two FTE.

The 2021-23 Proposed Organizational Chart is in the Appendix of this presentation on [pages 16 and 17](#). A detailed description of ongoing operational tasks can be found in the agency [Governor's Budget binder](#).

Summary of Program

The purpose of the Board of Pharmacy under ORS Chapter 689 is to promote, preserve, and protect the health, safety and welfare of Oregon citizens by control and regulation of the practice of pharmacy and the commerce and quality of drugs through outlets involved in the manufacture, production, sale and distribution of drugs, medications, devices and such other materials as may be used in the diagnosis and treatment of injury, illness and disease.

This is accomplished through:

Examinations: Any individual wishing to practice as a pharmacist in the State must take and pass an entry level competency exam, the North American Pharmacy Licensure Examination (NAPLEX). This exam has been standardized throughout all fifty states. Candidates for licensure in Oregon must also take and pass a pharmacy law exam, the Multistate Pharmacy Jurisprudence Examination (MPJE). These exams are administered by the National Association of Boards of Pharmacy (NABP). The MPJE exam questions are written, maintained and updated by OBOP staff and members through annual review of the exam question pool and psychometric analysis of the questions by NABP.

Licensing: After verification of passing scores on the NAPLEX and MPJE exams, the Board of Pharmacy allows the pharmacist candidate to submit an application for licensure. The Board completes a primary source verification of all credentials and completes an FBI criminal

background check prior to issuing a license. All individual (pharmacist, technician, and intern) licenses must be renewed on a biennial cycle. The OBOP has an online renewal process for most licenses. Pharmacy Technicians must obtain experience and become nationally certified within two years of initial Oregon licensure, then apply to be a Certified Oregon Pharmacy Technician to continue working as a technician. All drug outlet registrations renew annually. Pharmacies, pharmaceutical manufacturers, wholesalers, non-prescription drug outlets and a variety of other drug outlets must also be licensed with the OBOP to do business in the State. Establishments seeking licensure undergo similar scrutiny through primary source verification and vetting of applications and documents for licensure.

Compliance: The OBOP investigates all complaints and allegations of violations of Oregon law (ORS Chapter 689) and corresponding administrative rules (OAR Chapter 855), as well as any violations of state (ORS Chapter 475) or federal laws and rules related to controlled substances.

Communication and Education: Customer Service is one of the Board's highest priorities. All incoming phone calls are answered by a staff member, and then routed to the appropriate personnel for assistance. The OBOP staff receives questions from licensees, other healthcare professionals, the media, and the public. The Board has a philosophy of compliance through education and participates in conferences and educational presentations to professional associations and pharmacy schools regarding pharmacy and drug law and licensing issues. The Board participated in over 30 outreach programs in 2019 and 2020.

Board Administration (Members and Meetings): The Board is composed of nine volunteer members that serve four-year terms. Onboarding new members requires orientation to procedures and processes for state service and Board meeting procedures. Board members are required to utilize their professional expertise to create a regulatory framework that protects the public health and safety. While Board members may work in the profession and are governed by Board statutes and rules, they must make decisions based solely on the public interest.

Public Health and Pharmacy Formulary Advisory Committee (PHPFAC): The role of the PHPFAC is to evaluate concepts for protocols, drugs and devices for pharmacists to prescribe to Oregon patients and then to submit recommendations for the Board of Pharmacy to adopt by rule. Board staff support the committee's work by preparing the concepts for review, working with subject matter experts to formulate protocols, and assuring compliance with public meeting requirements. If the PHPFAC recommends a protocol, drug or device, the staff presents the recommendation to the Board in the form of draft rules for rulemaking consideration.

Agency Key Performance Measures need to update

Goals

The five strategic goal areas outlined in the Board's [2020-2024 Strategic Plan](#) will guide the work of the Board and staff to create the regulatory structure necessary to incorporate and encourage the best pharmacy practices to ensure public health and safety. This plan will be reviewed and updated annually to make sure that desired outcomes are being met and to encourage safe and contemporary pharmacy practice. The five strategic goal areas include:

- Technicians
- Technology
- Licensing
- Regulation and
- Communication.

The Agency has identified three long-term strategic goals to align with Key Performance Measures (KPM) that are consistent with its mission statement and that will provide direction for ongoing activities and resource allocation. The goals and measures are:

- Goal #1: Protect Oregon consumers by regulating the practice of pharmacy and distribution of drugs
- Goal #2: Provide excellent customer service
- Goal #3: Conduct business in a manner that supports a positive environment for the pharmacy industry

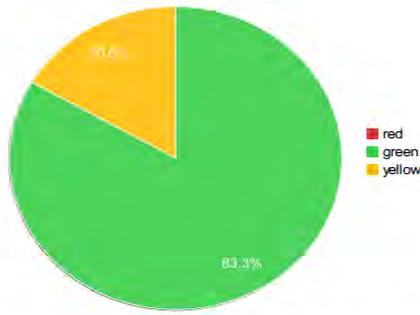
In its ongoing efforts to achieve these goals, the Board will:

- Continue to assure the competency level of pharmacists through testing, peer review, and improved continuing education
- Maximize the use of onsite inspections of the various drug outlets to ensure public safety
- Focus on timely investigation of consumer complaints and allegations of diversion and other drug distribution violations and medication dispensing errors
- Work closely with the Medical, Nursing, Dental, Optometry, Naturopathic and Veterinary Boards and their Associations (i.e. health professions with authority to prescribe drugs), the Oregon State University College of Pharmacy and the Pacific University College of Health Professions School of Pharmacy, and the state and federal drug enforcement agencies in the ongoing effort to eliminate the diversion of drugs from legitimate distribution channels to illegal street markets and harmful recreational use (*prescription drug abuse*)

The Board has six Key Performance Measures and is proposing to delete and change measure #2 and revise measure #3:

- 1) Percent of annually inspected pharmacies that are in compliance with pharmacy laws and rules.
- 2) Percent of audited pharmacists who have completed their continuing education (CE) on time.
- 3) Percent of pharmacies inspected annually.
- 4) Average number of days required to complete an investigation.
- 5) Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent"; overall, timeliness, accuracy, helpfulness, expertise, availability of information.
- 6) Percent of total best practices met by the Board.

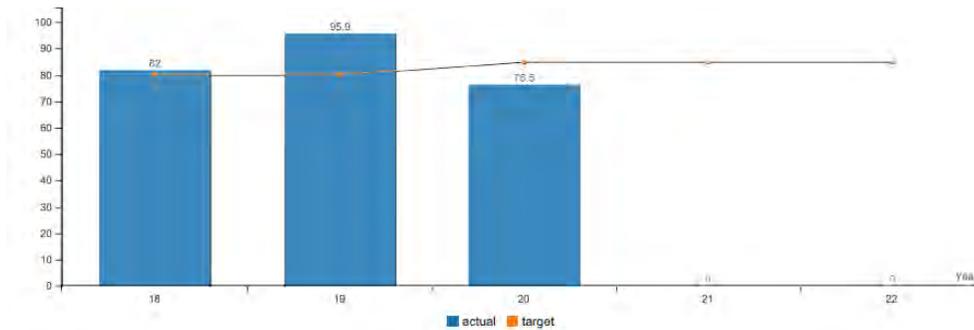
The following is an overall reflection of the agency's performance, our targets and actual performance is very close to the expected outcomes. Note, the results for the 2020 report are based on calendar year 2019.



Performance Summary	Green	Yellow	Red
Summary Stats:	= Target to -5% 83.33%	= Target -5% to -15% 16.67%	= Target > -15% 0%

Measures #1-2 are dependent on the licensee’s ability to comply with Agency laws and rules upon inspection or audit.

Measure #1 - Percent of inspected pharmacies that are in compliance annually.



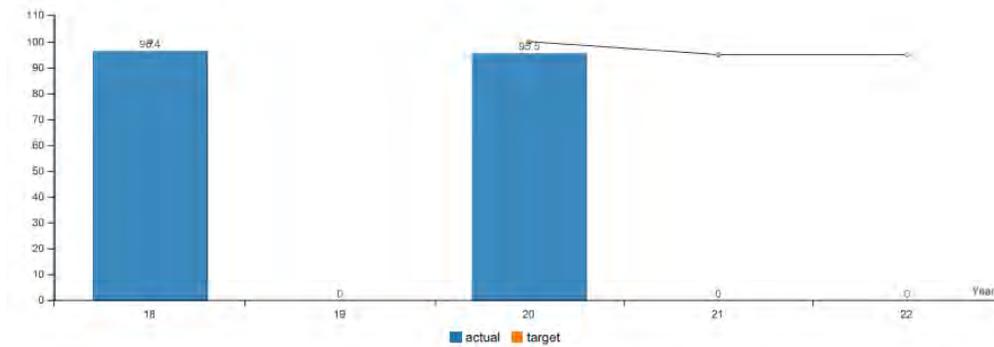
Report Year	2018	2019	2020	2021	2022
Percentage of Pharmacies that are in compliance annually.					
Actual	82%	95.90%	76.50%	No Data	No Data
Target	80%	80%	85%	85%	85%

Measures #1 and #3 relate to the number of pharmacies in compliance upon inspection and the number of pharmacies inspected annually. Board Inspectors utilize an annually updated Pharmacy Self-Inspection report as a tool for inspections. Those pharmacies that are not in compliance upon inspection have the opportunity to correct violations of best practices within 30 days. If corrective action is not completed, the Board will review violations for possible disciplinary action. The Board reviews this information throughout the year as a regular activity during the Compliance portion of each regularly scheduled Board meeting.

Many rule changes have been implemented over the past 5 years to account for new legislative authorities for a pharmacist to prescribe and rules related to outlet requirements to ensure cold drug storage integrity. Many outlets were identified to be non-compliant with these rules and needed corrective action follow up to ensure that patient safety is maintained. In the last year, several Rules Advisory Committees were formed to discuss pending large rule changes related to updated compounding rules which went into place in 2019 to meet national standards, as well as new legislation related to dual language prescription label and reader requirements. The new rules contributed to outlets focusing on implementation of large projects which may have contributed to noted deficiencies and non-compliance.

Staff continues to work to communicate effectively with all outlets to improve patient safety by achieving compliance with laws and rules.

Measure #2 - Percent of audited pharmacists who complete continuing education on time.



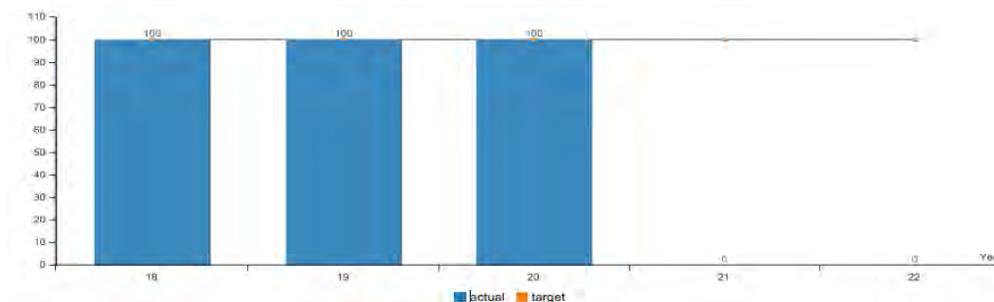
Report Year	2018	2019	2020	2021	2022
Percentage of audited pharmacists who complete continuing education on time.					
Actual	96.40%	No Data	95.50%	No Data	No Data
Target	100%	TBD	100%	95%	95%

Measure #2 - 704 or 11% of the pharmacists who renewed their license in 2019 were audited. Of those, 675 or 95% completed their continuing education in the timeframe specified. This is a biennial renewal in odd numbered years. The audit was finished in early 2020.

This measure is proposed for deletion and changed for the following reason: The *Percent of audited pharmacists who complete continuing education on time*, is identified to be the responsibility of a licensee, rather than a responsibility or measure of agency performance.

The Agency proposes to change KPM #2 to: *Percentage of individual and facility licenses that are issued in within 30 days* with a proposed target of 75%. This will capture the changes in volume and workflow timeframes throughout the whole licensing process, from receipt of application through investigations and Board member deliberation and approval, when required.

Measure #3 - Percent of pharmacies inspected annually



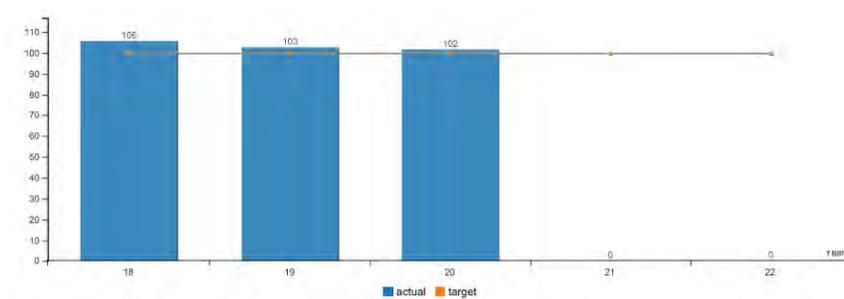
Report Year	2018	2019	2020	2021	2022
Percent of pharmacies inspected annually					
Actual	100%	100%	100%	No Data	No Data
Target	100%	100%	100%	100%	100%

Measure #3 - Board staff strives to complete 100% of retail and institutional pharmacy inspections in Oregon annually; we have reached 100% annually since 2011. While this measure is specific to these two categories, inspectors also inspected 8 additional registration types in 2020 and other in-state outlets are now on a rotating schedule from year to year. Board staff reports progress on the number or percent of outlets inspected at each Board meeting.

This measure is proposed for deletion and changed for the following reason:
The Percent of pharmacies inspected annually, is proposed to be changed to biennial.

The Agency proposes to change KPM #3 to: *Percent of pharmacies inspected biennially (every two years)*. Proposed target = 100%. This effort is to ensure that our processes are focused on achieving our mission to ensure public safety. This will allow for more intentionality and strategic focus towards high risk locations such as retail and institutional pharmacies and will result in better patient safety outcomes. This measure is also anticipated to reduce travel inspection costs each year.

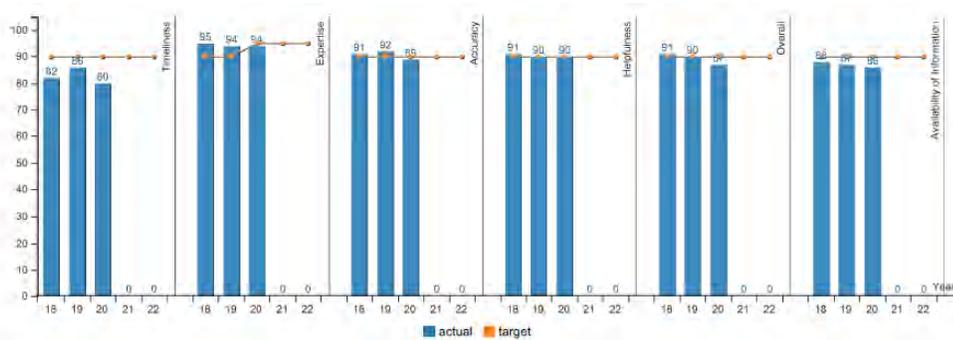
Measure #4 - Average number of days to complete an investigation from complaint to board presentation.



Report Year	2018	2019	2020	2021	2022
Number of days to process complete investigation from complaint to Board presentation.					
Actual	106	103	102	No Data	No Data
Target	100	100	100	100	100

Measure #4 - The total number of investigations/inspections that resulted in cases from January 1, 2019 - December 31, 2019 was 776 which is a decrease of 26 from 2018. This number is inclusive of all cases, which include those initiated from inspection results, licensee application cases, drug diversion and theft cases, impairment cases, fraud / misrepresentation cases and all consumer complaints. Cases are triaged to ensure that the public's safety is maintained which may cause delays in processing of other types of cases. On average, cases are reported and presented to the Board within 102 days. This is a decrease of 4 days from 2018. Full staffing, continuous process improvement, and case triage are all contributors to ensuring patient safety through timely Board review / action.

Measure #5 – Customer Service – Percent of customers rating their satisfaction with the agency’s customer service as “good” or “excellent”: Overall customer service, timeliness, accuracy, helpfulness, expertise, and availability of information.



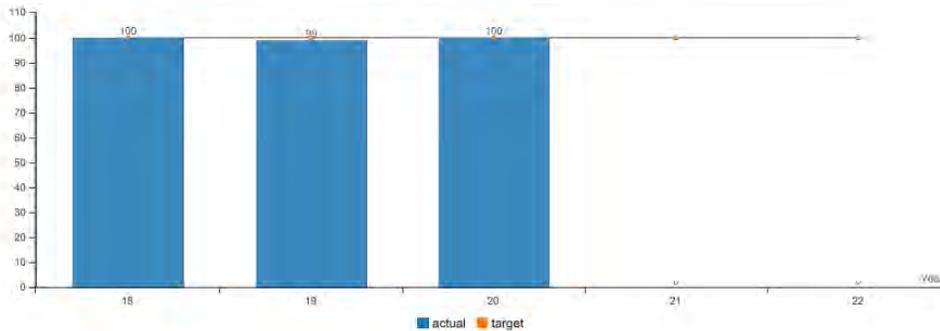
Report Year	2018	2019	2020	2021	2022
Timeliness					
Actual	82%	86%	80%	No Data	No Data
Target	90%	90%	90%	90%	90%
Expertise					
Actual	95%	94%	94%	No Data	No Data
Target	90%	90%	95%	95%	95%
Accuracy					
Actual	91%	92%	89%	No Data	No Data
Target	90%	90%	90%	90%	90%
Helpfulness					
Actual	91%	90%	90%	No Data	No Data
Target	90%	90%	90%	90%	90%
Overall					
Actual	91%	90%	87%	No Data	No Data
Target	90%	90%	90%	90%	90%
Availability of Information					
Actual	88%	87%	86%	No Data	No Data
Target	90%	90%	90%	90%	90%

Measure #5 – The Board’s overall average of 87.7% is a decrease of .55% from 2018 (the 2019 Report). The Board continues to see licensee growth which increases application processing times.

We had several factors that impacted the decreases noted in the results:

- A long-term licensing staff member left the agency to pursue employment outside of state service and an additional FTE was added effective 7/1/2019. Two new staff were hired and started with the Board in the fall. With over 30 different license types, there is a significant learning curve to understand all the nuances and regulations surrounding licensure/registration with the Oregon Board of Pharmacy.
- For several months, national fingerprint-based background check results were taking an average of 20 - 30 days to be received. This caused significant dissatisfaction with applicants but was out of the Board’s control.
- In October of 2019, the Board implemented an upgrade to the licensing and compliance database. Included in the implementation was a new licensee interface. The setup, training and implementation of these new systems caused a slow-down in the processing of applications due to staff resources required to for user acceptance testing, training on the new systems and the assistance provided to licensees with the new online processes.

Measure #6 - Percent of total best practices met by the Board.



Report Year	2018	2019	2020	2021	2022
Is the Board following Best Practices?					
Actual	100%	99%	100%	No Data	No Data
Target	100%	100%	100%	100%	100%

Measure #6 – The Board regularly works to follow best practices. Staff regularly reports to the Board on many of the best practice items and/or the Board reviews materials throughout the year. This year, eight out of nine members participated in providing feedback to this measure. Of those, three out of nine members were new since February 2020, one of those since July. The opportunity to regularly orient the Board to best practices and answer questions is very useful.

Overall, the 2020 report continues to reflect the Agency is striving to meet all Key Performance Targets. The Board serves its licensees and the people of Oregon. A complete copy of the [2020 Annual Performance Progress Report](#) (linked here) is also available in the Governor’s Budget document under Special Reports.

2021-23 Summary of Program

The Agency is budgeted as one Program Unit. For management efficiency, we have broken out the key areas of agency function, which include:

- Operations, Administration, and Communications
- Licensing
- Compliance
- Board member activities
- Public Health and Pharmacy Formulary Advisory Committee activities

All areas are by their nature intricately connected and required to accomplish the statutory mission of the agency.

To Achieve the Agency’s Mission and Deliver Services to Oregonians

Agency staff engages in a variety of ongoing operational activities to achieve the Agency’s mission of public safety for Oregonians and regulatory oversight of over 30,000 licensees in 34 categories of individuals and drug outlets both in-state and out of state, a chart reflecting these categories is in the Appendix on [page 24](#). The 2021-23 Governor’s Budget supports these activities based on current projections. These operational responsibilities and services include:

- Efficient management of office and agency
- Efficient processing of examinations and licenses

- Perform regular pharmacy inspections
- Provide responsive research, information and assistance services
- Provide effective compliance efforts
- Provide responsive consumer and other stakeholder communication
- Provide support to the Board and Formulary Advisory Committee

Boards of pharmacy, unlike other health regulatory boards, are required to collaborate with many other state and federal regulatory agencies including:

- U.S. Food and Drug Administration (FDA), with federal authority over prescription and non-prescription drugs and devices
- U.S. Drug Enforcement Administration (DEA), with federal authority over controlled substances
- State health regulatory Boards for every discipline with the authority to prescribe, dispense, administer or possess drugs and devices

Boards of pharmacy also uniquely differ from other health regulatory Boards in that they:

- regulate the licensed professional individual; and
- regulate the quality, distribution, and commerce of products and services and register the various types of drug outlets

This dual role creates a variety of unique circumstances affecting pharmacy boards which are not shared by the other health regulatory Boards.

Major budget drivers, budget risks, and environmental factors

This 2021-23 budget includes one small policy package related to personnel. The Board implemented fee increases at the beginning of biennium approved in 2019, no new fees are needed. The biggest risk would be any loss of personnel or FTE.

“Personnel Services” costs represent 69% of the agencies budget. What the agency does involves people working with people, licensing, investigations and outreach.

Ongoing expenses for “Services and Supplies” represent 31% of the agencies budget and are inherent and tend to not fluctuate significantly.

Attorney General is the second largest agency expenditure at 6.81%. This is due in part to the flat-rate agreement that is going away in the 2021-23 biennium which was driven by current and past usage, but also the large number of cases and hearing requests we receive associated with notification of Board discipline and the changing practice of pharmacy within the state or nationally. In 2019 alone, there were 776 cases, 327 final orders issued (the most ever in one year) and we currently have 42 hearings requested and being managed.

Environmental Factors

[COVID-19 Impacts](#)

As with many State agencies, the Board of Pharmacy has been actively involved in helping licensees, registrants and the public navigate and stay safe during the COVID-19 public health emergency. From the beginning of the pandemic in March, the Board has communicated with licensees and registrants to assist them in keeping their staff and the public safe.

- Implemented temporary rules to allow remote work by pharmacists and pharmacy technicians
- Temporarily prohibited dispensing of chloroquine and hydroxychloroquine for COVID-19 to preserve supplies for patients with rheumatoid arthritis and lupus
- Increased the number of interns that a pharmacist may supervise in academic experiences
- Extended Pharmacy Technician license to accommodate lack of testing site availability
- Required licensee/registrant compliance with Governor's Executive Orders
- Temporarily suspended some requirements for training/certification to prevent disruptions of care or increase number of pharmacists available to provide immunizations
- Provided regulations for vaccine storage outside of a registered drug outlet
- Worked with local distilleries, OHA and Moda to facilitate production and distribution of hand sanitizer
- Prioritized processing of applications for vaccine distribution outlets and drug rooms for storage and distribution of vaccines in Oregon
- Communicated with pharmacists on providing emergency prescription services to people impacted by wildfires

Pharmacists will continue to perform essential roles in providing immunization services as the demand for mass vaccination is expected to continue through 2021 and beyond.

Additional environmental factors include expanding technician roles in assisting pharmacists, automation and technology in drug distribution, regulating pharmacist patient care services under statewide protocols and formulary, increasing complexity and scope of investigations, changing pharmacist and pharmacy technician roles and challenges to drug supply chain security and integrity.

Administrative initiatives and projects such as budget preparation, database upgrade, document security and move to electronic documents, business continuity, workforce data and cultural competence are some of the many activities that consume an increasing portion of staff time.

Statutory directives to safeguard public health utilize significant portion of staff time. Recent examples include: revising rules for emergency insulin and naloxone dispensing; prescription labeling for patients with limited English proficiency; prescription readers for the visually impaired; cultural competency continuing education; prescription drug take-back program; pharmacist prescribing under statewide protocols; immunization updates; public health emergencies; opioid abuse reduction efforts; biosimilars; and the Health Professionals Service Program.

Prescription drug abuse or overutilization requires an increasing amount of staff time. Staff investigates illegal Internet drug distribution, local fraudulent prescription scams and diversion and theft of controlled substances from pharmacies. Many drug related issues such as these are also covered by the news media and requests for information, interviews and statements from staff are common. Other issues include working with the Oregon Department of Environmental Quality to implement 2019 HB 3273, the statewide prescription drug take back program and participating in the Oregon Opioid Taper Guidelines Taskforce to address opioid use disorder. Pharmacists are uniquely positioned to have a positive impact in reducing

opioid abuse by utilizing the Oregon Prescription Drug Monitoring Program (PDMP) and communicating with health care providers.

Major Changes in the Last 6 Years

Executive Director, Marcus Watt retired in late 2018 and new Executive Director Joe Schnabel began his tenure with the Board in February 2019.

The Public Health and Pharmacy Formulary Advisory Committee (PHPFAC) was established by 2017 HB 2397 and became effective on January 1, 2018. Committee members were appointed in 2018 and established core elements of pharmacist prescribing practices. To date, the PHPFAC has recommended twelve statewide protocols and eight formulary devices and supplies for pharmacist prescribing, which the Board has adopted by rule. Funding for the Committee was approved in the 2019 Legislatively Adopted Budget.

Implementation of the Shared Academic and Regulatory Fellowship Program for Post-Graduate Learners with Pacific University School of Pharmacy (PUSOP) and the Oregon Board of Pharmacy (OBOP) was started in 2017. This Fellowship established a reoccurring one-year program designed to transition the fellow from a general practitioner to a regulatory pharmaceutical specialist and clinical educator. Upon successful completion of the PUSOP-OBOP Fellowship, graduates will be on track to pursue careers in: 1) Regulatory oversight services at a State Board of Pharmacy, and 2) Academic/faculty positions that involve pharmacy practice, experiential teaching responsibilities, and school service, as well as preceptor development opportunities. This program was initiated in 2017-18, the Fellow did not complete the full year. There was only one candidate for the 2018-19 year and no selection was made. This program was phased out of the 2019-21 budget. It may be evaluated for consideration in the future.

Longtime Compliance Director Gary Miner retired January 2017 and a new director, Brianne Efremoff assumed this position.

All licenses for individuals (pharmacist, technician, intern) were converted from annual licensure to biennial licensure.

The Board participates in the Health Professionals Service Program (HPSP) for impaired professionals. Legislation in 2016 shifted operational management from Oregon Health Authority to a Work Group of Health Boards (Medical, Dental, Nursing, Pharmacy) effective July 1, 2017. A required third-party audit of the HPSP provider was conducted in 2020 and the findings are currently being evaluated by the Work Group.

The Board amended (18), adopted (2) or repealed (8) rules in 2019 and one temporary rule in response to legislative action. In 2020, the Board amended (14), adopted (7) or repealed (2) rules in 2020 in response to legislative action. In 2020, the Board also responded to the COVID-19 Public Health Emergency adopting 6 and amending 4 rules. We will continue to be responsive to the current emergency as needed. Regular review, streamlining efforts or rules in need of updating occurs throughout the biennium.

Process Changes for Efficiency

Examples of changes the Board has implemented in the past few years to save resources and create efficiency include:

- Upgrading the licensing database streamlined the process for licensees to renew online more efficiently and update their profile while ensuring greater security for agency data overall. Individual applicants are able to apply for and renew licensure online. All the larger facilities are now able to renew online, applications are in progress.
- License verifications have been upgraded with the database modernization project, this has simplified the process for making public records available to the public and streamlined staff work in the process.
- The pharmacist licensure process has been streamlined and simplified to improve customer service and faster processing time.
- Upgraded Board website to State standard, greatly improving access and user experience.
- Increasing technology and security changes mandated by the Enterprise Information Services Office (EIS) has allowed the agency to increase security for all systems. This was further highlighted by the impact of COVID-19 on the workplace and the ability to modernize equipment and implement telework options for employees.
- Incorporating LEAN process improvement methods, to increase efficiency and standardization in important agency processes.
- Online forms to submit complaints, public records request, updated all applications
- Newsletter is cleaner and more intuitive
- New Board and Staff Orientation – professional development
- Cross-training of staff continues to allow for better resource allocation.
- Developed a Strategic Plan for staff to implement Board priorities for 2020-24
- The Board continues to conduct most of the Board's meetings virtually, rather than in person due to the COVID-19 pandemic. It is likely that virtual meetings will continue for several more months.
- Streamlined investigative case report development and presentations for the Board.

2021-23 Budget Information

The Board's 2021-23 proposed budget includes an Other Fund expenditure limitation request of **\$9,104,052**, a .95% increase over the 2019-21 Legislatively Adopted Budget, this percentage includes limitation added in December 2020 for all agencies for salaries and benefits.

The following packages supports the agencies activities as described, reclassifies two positions and corrects one salary due to COVID timing.

2021-23 Essential Packages include various packages from 010 – 099. These packages make a variety of DAS adjustments (increases, decreases or reductions) and a few agency specific adjustments including Package 022 that phases out funding for the database upgrade that was implemented, \$288,415; Package 090 that reduced three line items included on the agency 10% Reduction Item list totaling \$32,284. The remaining packages relate to Statewide adjustments and include updates to the DAS Price List, State Government Service Charges, and Microsoft 365 Consolidation.

2021-23 Policy Packages

Policy Package 100 Personnel Management

The first part of this package is to reclassify an Office Specialist 2 position to an Administrative Specialist 1. The Compliance Department's responsibilities and case workload have evolved. Establishing the "Compliance Coordinator" role became essential to ensure that Compliance workload is completed on time and in accordance with Board rules, policies, and procedures. The second part of this package is to adjust a salary for a new hire that was delayed due to COVID-19 until June 1, 2020 which was after ORPICS freeze and wasn't included in the Current Service Level calculations. The third part of this package is to reclassify a Program Analyst 1 to a Principal Executive Manager-A. This Licensing Manager position was recently reviewed by the Chief Human Resources Office and approved for a reclassification. Package 100 increases Personal Services expenditures by **\$29,851**. More details are included in the policy package narrative.

Summary of Proposed Legislation

The agency doesn't have any proposed legislation.

The following are some of the 2021 bills the agency is tracking that are pharmacy related and may impact the agency or have a budgetary impact.

[HB 2858](#) - Allows pharmacist to prescribe and dispense preexposure prophylactic antiretroviral drug to patient after completion of patient assessment. Requires OBOP to adopt rules.

[HB 2074](#) - Increases prescription monitoring program fees from \$25 to \$35 annually. This impacts pharmacist licensure cost.

[HB 2648](#) / [SB 526](#) – These bills are similar in that they allow the following: pharmacist or pharmacy technician to transfer drug containing pseudoephedrine without prescription to person who is at least 18 years of age and presents person's valid government-issued photo identification. This would require rule revisions for OBOP.

Reduction options in Governor's budget

The Governor's budget does include minor reductions; three from the agency submitted Reduction Options list in the areas of special payments, capital outlay and publicity and publications totaling **\$32,284**.

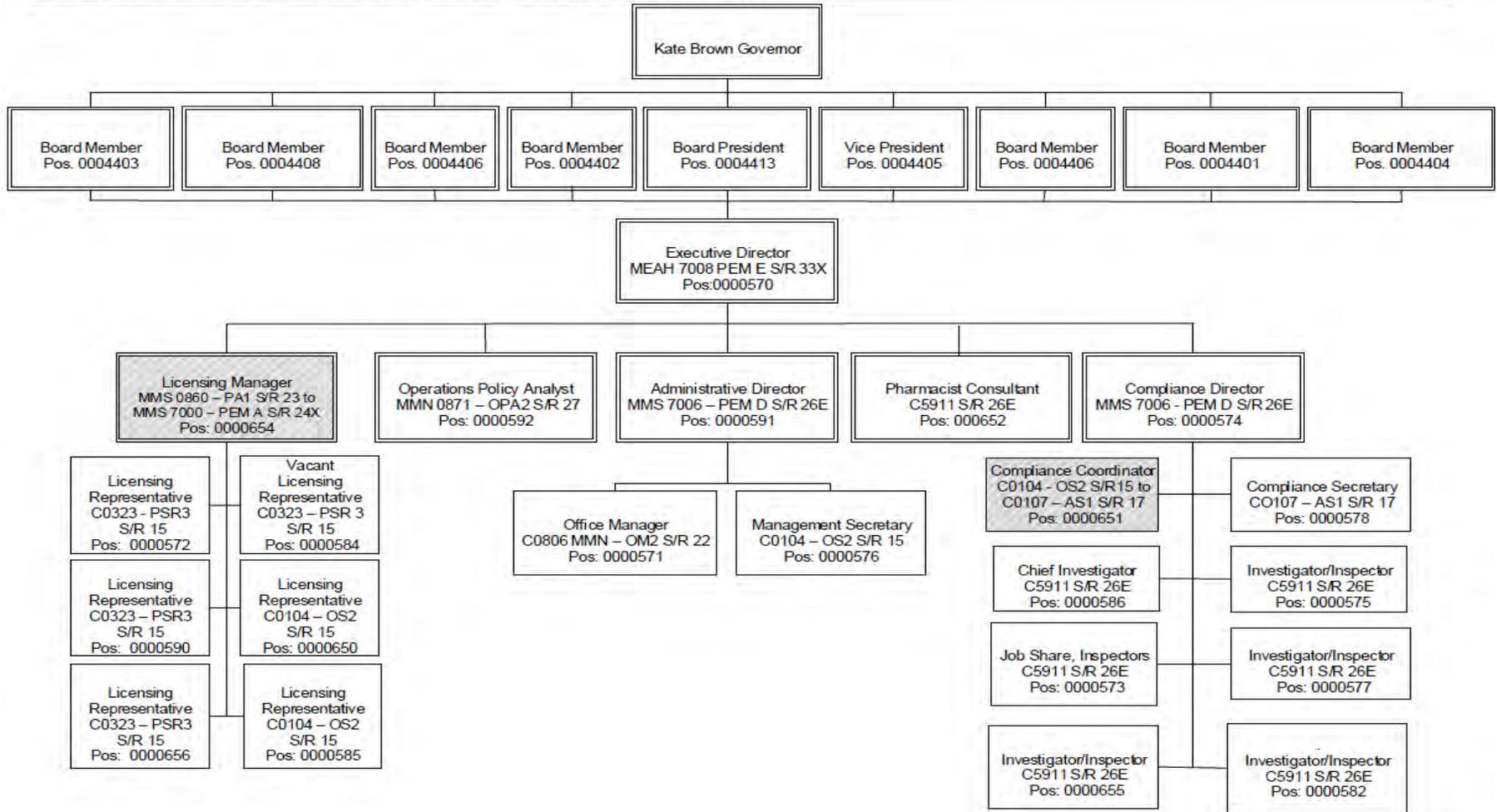
Ending Balance

Assuming the Governor's Budget is approved; the Board will have a 9.6 month ending balance at the end of 2021-23 of **\$3,667,760**, this higher balance was expected as fees were increased in 2019-21. An updated ending balance chart is located on [page 25](#).

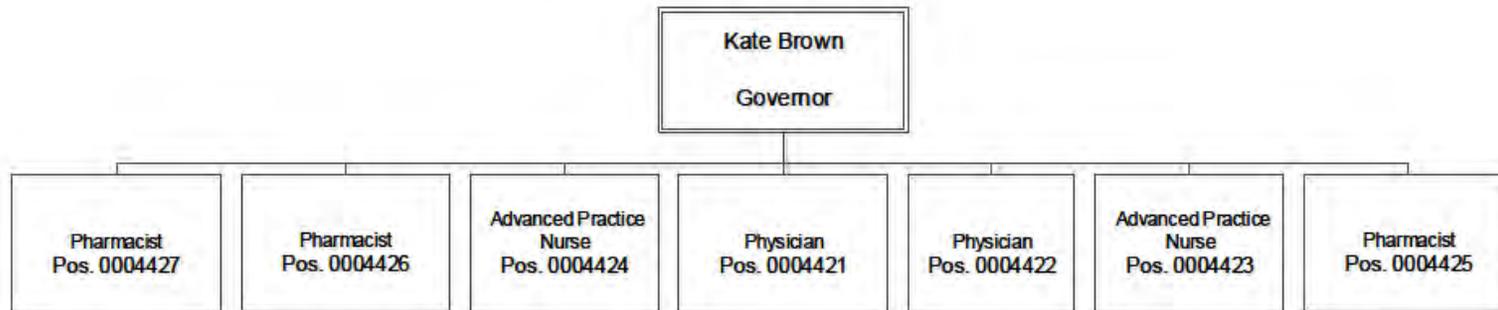
APPENDIX

- [Pages 16-17](#) - Organizational Charts
- [Page 18](#) - Licensing total/new licensee comparison chart
- [Page 19](#) – Licensee count / Funds /FTE
- [Page 20](#) – Compliance Case Chart
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- [Page 23](#) – 2021-23 Expenditures by type
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Oregon Board of Pharmacy
 Organizational Chart 2019-2021 GRB
 22 FTE (9 Board Members & 7 Member Public Health & Pharmacy Formulary Advisory Committee)

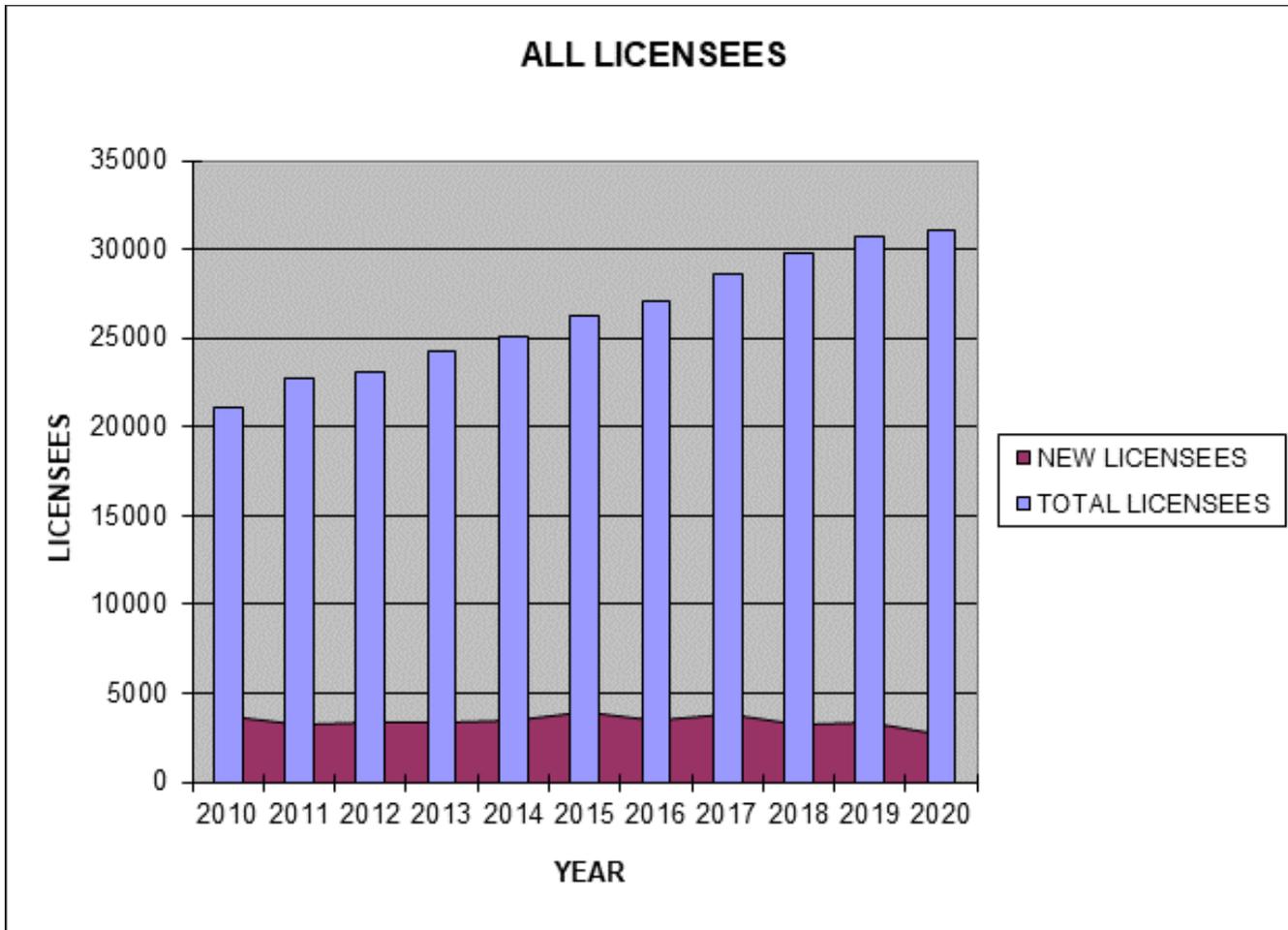


Reclassification Requested

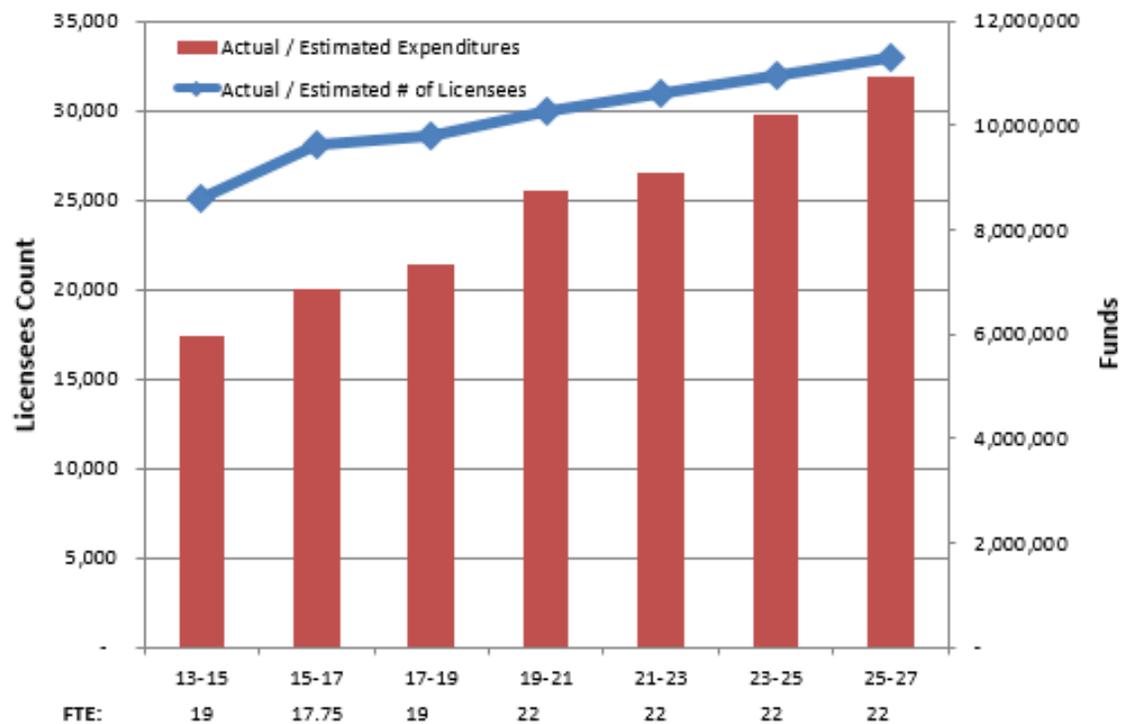


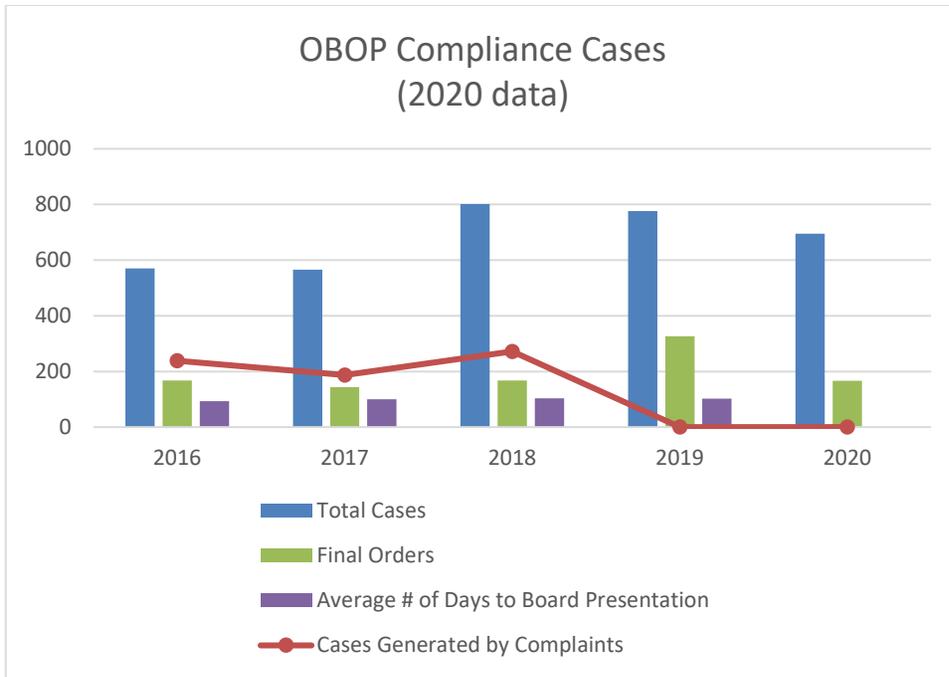
PUBLIC HEALTH AND PHARMACY FORMULARY ADVISORY COMMITTEE
Established January 1, 2018

Members are appointed by the Governor to make recommendations to the Oregon Board of Pharmacy regarding pharmacist prescriptive authority

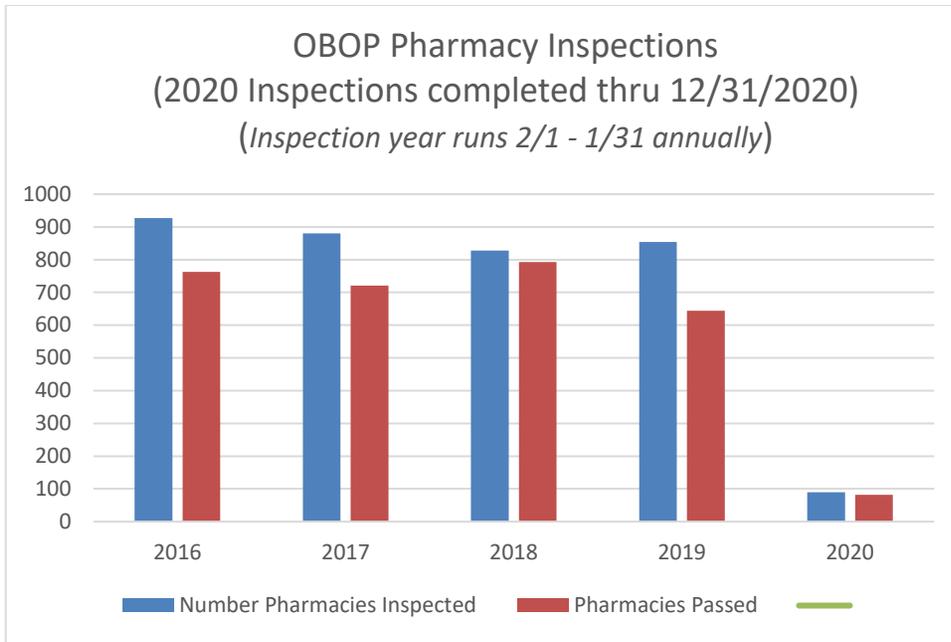


**Oregon Board of Pharmacy
Comparison Chart
Licensees / Funds / FTE**



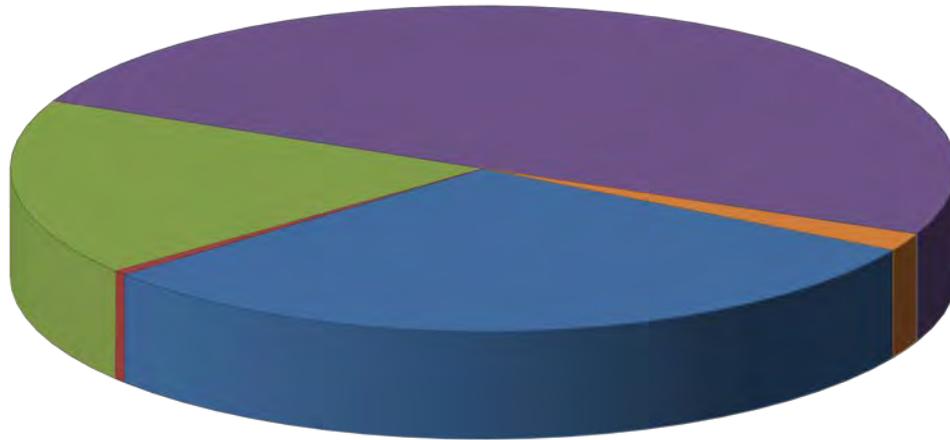


Note, as this chart relates to Key Performance Measure #4, beginning in 2019, “total cases” is inclusive of all case types, which include those initiated from inspection results, licensee application cases, drug diversion and theft cases, impairment cases, fraud / misrepresentation cases and all consumer complaints. Cases are triaged to ensure that the public's safety is maintained which may cause delays in processing of other types of cases. The 2020 data related to the average # of days is not available at this time. That will be reported in the 2021 Annual Performance Progress Report.



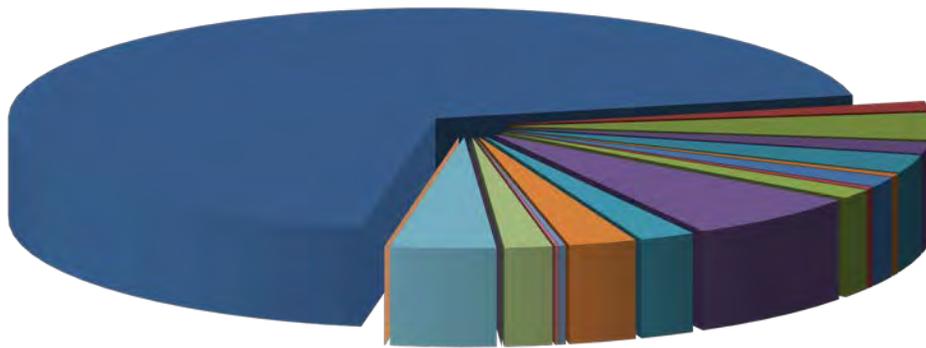
Due to the COVID-19 Public Health Emergency in 2020, limited inspections were completed due to travel restrictions and the safety of our staff. The Board is currently exploring options to conduct inspections virtually until it is safer to travel around the state.

2021-2023 Program Allocation



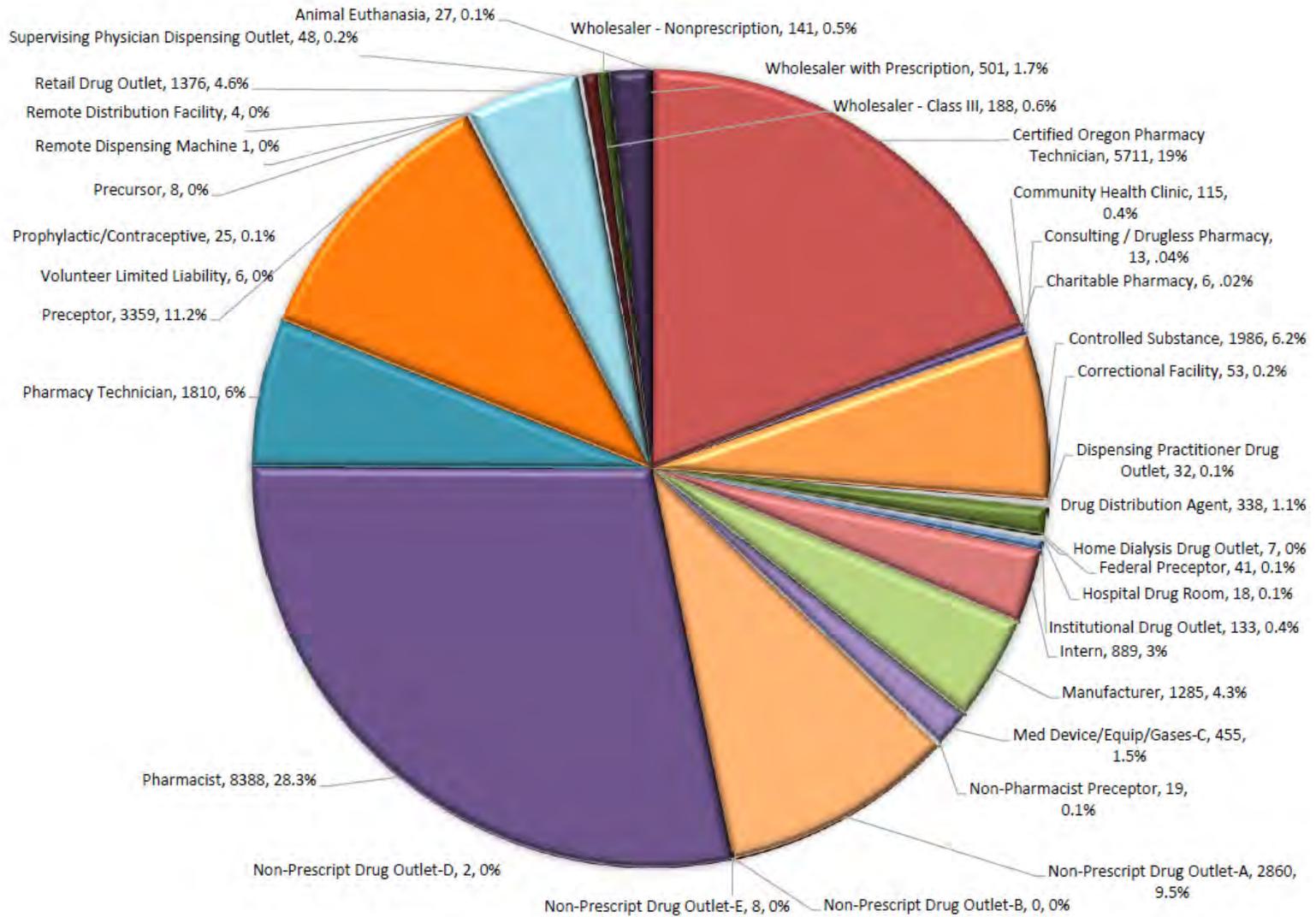
- Operations/Administration/Communications 30.38%
- Board Meeting and Member Activities .45%
- Licensing 17.69%
- Compliance 49.69%
- Public Health & Pharmacy Formulary Advisory Committee .06%
- Health Professionals Service Program (HPSP) 1.73%

2021-2023 Expenditures by Type \$9,104,052



Personel Services	68.85%
Travel	1.39%
Data Processing & Telecommunications	3.98%
Prof. Services/Hearings Panel	1.73%
Agency Program Related S & S (Fingerprinting)	2.64%
IT Expendable Property	0.48%
IT Professional Services	1.48%
Publicity & Publications	0.37%
Office Expenses/Supplies (Includes Storage Fees & Postage)	1.42%
Attorney General	6.81%
State Government Service Charges	2.12%
Facilities & Rent	2.58%
Employee Training	0.24%
Expendable Property	0.14%
Health Professional's Service Program	1.81%
Other Special Payments	0.00%
Other Services & Supplies	3.97%
Medical Services & Supplies	0.01%

Licenses by Category



Ending Balance Information

UPDATED OTHER FUNDS ENDING BALANCES FOR THE 2019-21 & 2021-23 BIENNIA

Agency: 85500 Oregon Board of Pharmacy
 Contact Person (Name & Phone #): Karen MacLean (971)673-0005

(a) Other Fund Type	(b) Program Area (SCR)	(c) Treasury Fund #/Name	(d) Category/Description	(e) Constitutional and/or Statutory reference	(f) 2019-21 Ending Balance		(g) 2021-23 Ending Balance		(i) Comments
					In LAB	Revised	In CSL	Revised	
Limited	85500-001-00-00-00000	1171 OF State Board of Pharmacy Account	Operations	ORS 689.135	1,462,841	3,937,733	3,256,649	3,514,530	2019-21 ending balance is higher than anticipated for a variety of reasons. 1) Continued owner/location changes for facilities are very unpredictable and have generated approx \$292k of revenue to date this biennium. 2) We had trouble filling a few positions this biennium, both getting candidates and due to COVID which resulted in vacancy savings. 3) Travel and Office expense savings have also been realized due to COVID.

Program Prioritization for 2021-23

Agency Name: Oregon Board of Pharmacy																				Agency Number: 85500			
2021-23 Biennium																							
Program 1																							
Program/Division Priorities for 2021-23 Biennium																							
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22		
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	Comments on Proposed Changes to CSL included in Agency Request			
Agcy	Prgm/ Div																						
85500	1	OBOP	Operations/Administration & Communications/Policy - Office & Operational Mgmt, Budget, Clerical, Policy Research, Committees, Administrative Rules, Project Mgmt.	85500 1-6	3			2,884,356				\$ 2,884,356		6.00	N	Y	S	ORS 475 & 689		None unless 10% Reductions are considered. The impact is included on the Reduction form 107br17.			
85500	1	OBOP	Licensing & Exams	85500 2,5	3			1,679,089				\$ 1,679,089		7.00	N	Y	S	ORS 475 & 689		None unless 10% Reductions are considered. The impact is included on the Reduction form 107br17.			
85500	1	OBOP	Compliance	85500 7, 3-5	3			4,903,530				\$ 4,903,530		9.00	N	Y	S	ORS 475 & 689		Includes HPSP, KPM approval needed for biennial inspections. If 10% Reductions are considered, see 107br17.			
85500	1	OBOP	Board Activities	85500 6	3			42,741				\$ 42,741		0.00	N	Y	S	ORS 475 & 689		The Board has 9 members, if in-state or out of state travel is reduced, there will be an impact.			
85500	1	OBOP	Formulary Committee	Agency Mission	3			5,447				\$ 5,447		0.00	N	N	S	ORS 689.645 and 649		This Committee includes 7 members, legislatively authorized and effective 1/1/18. The Committee is meeting approximately 4 times per year.			
												\$ -											
												\$ -											
												\$ -											
								9,515,163				\$ 9,515,163		o 22.00									

Document criteria used to prioritize activities:

The agency is budgeted as one Program Unit. For the purpose of this exercise, we have broken out the key areas of agency function. However, all areas are required to accomplish the statutory mission of the agency.