Table of Contents

2014-15 Governors Budget - Pharmacy, Board of

Agency Profile - Pharmacy, Board of	1
Current, Base and Governor's Recommended Expenditures	3
Sources and Uses	4
All Funds FTE by Program	5
Revenues Summary	6
Federal Funds Summary	7

Mission:

The Minnesota Board of Pharmacy exists to protect the public from adulterated, misbranded, and illicit drugs, and from incompetent, unethical, illegal or unprofessional conduct on the part of pharmacists or other licensees and registrants.

Statewide Outcome(s):

Pharmacy, Board of supports the following statewide outcome(s).

Minnesotans are healthy.

Context:

The Minnesota Board of Pharmacy addresses the following key issues: the safe distribution and use of human and veterinary prescription drugs; abuse of prescription and illicit drugs; and pharmaceutical waste. The priorities of the Minnesota Board of Pharmacy are: preventing morbidity and mortality associated with the improper use of human prescription drugs; preventing improper use of veterinary prescription drugs so as to minimize the risk that citizens will be exposed to such drugs in the foods that they eat; preventing abuse of both prescription and illicit drugs; and helping to reduce the production and improper disposal of hazardous pharmaceutical waste.

The primary individuals served by the Minnesota Board of Pharmacy are the citizens and residents of the State of Minnesota. The customers to whom the Board provides *specific* services include: licensees and registrants; other state government agencies to which the Board provides consultation or services: and federal agencies with which the Board works.

The Board is primarily funded through licensing and registration fees. One of the Board's programs, the Minnesota Prescription Monitoring Program, is currently funded through a combination of: a portion of the licensing and registration fees collected by the Board, a portion of the licensing fees collected by other boards that license prescribers, a federal grant, and a grant from the National Association of State Controlled Substances Authorities.

Strategies:

The Board addresses the key issues identified above by: issuing licenses and registrations to individuals and businesses; inspecting facilities located within the state that are licensed or registered by the Board; investigating complaints and taking disciplinary action against licensees and registrants; providing education and consultation concerning the distribution of drugs and the provision of pharmacy services; operating the Minnesota Prescription Monitoring Program; working with the Legislature, the Bureau of Criminal Apprehension and law enforcement officials to place dangerous, illicit drugs into the appropriate state controlled substances schedule; and working with the Minnesota Pollution Control Agency and others to try to minimize the production of pharmaceutical waste and to ensure that such waste is properly disposed of.

The Board of Pharmacy contributes to statewide outcomes by engaging in the activities listed in the previous paragraph. Some activities listed keep Minnesotans healthy by helping to prevent problems associated with improper use of prescription drugs. Some activities keep Minnesotans healthy by helping to reduce prescription and illicit drug abuse. Reducing drug abuse keeps Minnesotans safe by helping to decrease accidents caused by drug-impaired individuals. The final activity listed above contributes to a clean, healthy environment by reducing the amount of pharmaceuticals that end up in the waste stream.

Results:

The Board believes that the activities mentioned above help to reduce the number of medication errors that adversely impact the health of Minnesotans. However, many factors are involved when analyzing the specific impact that pharmaceuticals have on the health of citizens. The Board has an influence on only some of those factors. Consequently, it is difficult to determine the precise impact that the Board has on the health of citizens.

However, the Board has promulgated rules that require its licensees and registrants to follow standards recommended by several other organizations involved in health care standard setting. The Board helps to ensure that the standards are followed by conducting routine, unannounced inspections of the in-state facilities that it licenses and by investigating the complaints that it receives from the public. Thus, while the precise impact of the Board is difficult to assess, it is a reasonable to assume that, by actively promoting the above-mentioned standards, the Board is having a positive impact on the public health.

The Minnesota Prescription Monitoring Program helps to prevent drug abuse by reducing doctor-shopping behaviors. (Doctor shopping occurs when an individual receives prescriptions from multiple prescribers and has them filled at multiple pharmacies in a short period of time).

Performance Measures	Previous	Current	Trend
Percentage of complaints investigated and resolved within 12 months ¹	84.3%	89.4%	Improving
Percentage of in-state facility inspections completed annually 2 *	24.2%	27.7%	Improving
Number of individuals who receive prescriptions from five or more prescribers and have them filled at five or more pharmacies within a six month period of time ³	2,492	2,881	Stable

Performance Measures Notes:

- 1. Previous data is FY 2009. Current data is FY 2011. Source: Board's Disciplinary, Regulatory and Licensing Information Management System database.
- 2. Previous data is FY 2010. Current data is FY 2012. Source: Board's Disciplinary, Regulatory and Licensing Information Management System database. *Does not include opening inspections of new facilities.
- 3. Previous data is the first half of FY 2010. Current data is the first half of FY 2012. Source: Board's Prescription Monitoring Program database. ~When adjusted for the number of individuals receiving controlled substance prescriptions (which increased from 2010 to 2012), the difference is less than 0.03 percent.

Pharmacy, Board of

Current, Base and Governor's Recommended Expenditures (Dollars in Thousands, Biennial Totals)

	General Funds	Other State Funds	Federal Funds	All Funds
Current Biennium Expenditures (FY 2012-13)		\$4,736	\$372	\$5,107
Current Law Expenditures (FY 2014-15)		\$4,809	\$267	\$5,076
Governor's Recommended Expenditures (FY2014-15)		\$4,809	\$267	\$5,076
\$ Change from FY 2014-15 Current Law to Governor's Rec		\$0	\$0	\$0
% Change from FY 2014-15 Current Law to Governor's Rec		0%	0%	0%

Pharmacy, Board of Sources and Uses

(Dollars in Thousands)

		Biennium FY14-FY15					
	General Funds	Other State Funds	Federal Funds	Total Funds			
REVENUE		\$2	\$267	\$269			
APPROPRIATION		\$4,808	\$0	\$4,808			
SOURCES OF FUNDS		\$4,810	\$267	\$5,077			
EXPENDITURES		\$4,809	\$267	\$5,076			
PAYROLL EXPENSE		\$3,401		\$3,401			
OPERATING EXPENSES		\$1,408	\$267	\$1,675			
USES OF FUNDS		\$4,809	\$267	\$5,076			

Pharmacy, Board of All Funds FTE by Program

	Current	Forecast Base	Governor's Recommendation
Program	FY 2013	FY 2015	FY 2015
Program: Pharmacy, Board Of	14.0	14.0	14.0
Pharmacy, Board of	14.0	14.0	14.0

Pharmacy, Board of Revenue Summary

(Dollars in Thousands)

			Biennium FY	′14-15	
		General Fund	Other State Funds	Federal Funds	All Funds
Non Dedicated	DEPARTMENTAL EARNINGS		4,354		4,354
	ALL OTHER		0		0
	Subtotal		4,354		4,354
Dedicated	FEDERAL GRANTS			267	267
	ALL OTHER		2		2
	Subtotal		2	267	269
	Total		4,356	267	4,623

Federal Funds Summary

							Required State	Required	
	New		2012	2013	2014	2015	Match Yes	State MOE	State-wide
Federal Award Name	Grant	Purpose / People Served	Actual	Budget	Base	Base	/ No	Yes /No	Outcome
Federal Fund - Agency Total	ongoing	grant related prescrition monitoring program - controlled substances	30,591	340,849	134,000	134,000	No	No	MN is healthy
Program Total	ongoing	grant related prescrition monitoring program - controlled substances	30,591	340,849	134,000	134,000	No	No	MN is healthy
Budget Activity Total	ongoing	grant related prescrition monitoring program - controlled substances	30,591	340,849	134.000	134,000	No	No	MN is healthy

Narrative

MN Board of Pharmacy – Enhancements to the MN Prescription Monitoring Program
The purpose of the Prescription Monitoring Program (PMP) is to promote public health, safety and welfare by detecting the diversion, abuse, and misuse of prescription medications classified as controlled substances under Minnesota statutes and rules. The PMP collects information concerning almost all controlled substance prescriptions dispensed for people residing in Minnesota. Prescribers, pharmacists and certain Medicaid program staff can access this data through a secure online system. The PMP is a tool that these authorized users can employ in order to detect possible "doctor-shopping behavior". (i.e. – obtaining prescriptions from multiple prescribers and having them filled by multiple pharmacies). The Board encourages prescribers and pharmacists who do identify individuals who appear to be engaged in "doctor-shopping" to refer them for appropriate care - either chemical dependency treatment or pain management. Law enforcement officials can obtain data from the system as well, but only after obtaining a court-issued search warrant and serving it on the Board.

The maintenance of effort levels for the Enhancements to the MN Prescription Monitoring grant program are supported only by federal funds. No state appropriations are used to support this grant.

Currently the board is unaware of any changes to funding levels for this grant. This grant is a two year grant. In the future, the board would need to reapply for future funding. If the board is not awarded future funds enhancements for the program would be affected.

Currently the board does not receive state funding to enhance the Prescription Monitoring Program.

The potential impact of sequestration would be to reduce program enhancements. The Board does not yet have enough data to demonstrate the impact that the PMP might be having in this area related to results in a decrease of "doctor-shopping" in that state.