



Texas State Board of Pharmacy

Annual Report

Fiscal Year 2015

Jeanne Waggener, R.Ph.
President

Gay Dodson, R.Ph.
Executive Director/Secretary

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Austin, Texas 78701
512/305/8000
www/pharmacy.texas.gov

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Board Members

Jeanne D. Waggener, R.Ph.
President
Waco
8/10/06 - 8/31/17

Buford T. Abeldt, Sr., R.Ph.
Vice President
Lufkin
5/9/08 - 8/31/19

Christopher M. Dembny, R.Ph.
Treasurer
Richardson
9/26/13 – 8/31/17

W. Benjamin Fry, R.Ph., FIACP, FACA
San Benito
4/14/04 - 8/31/15

L. Suzan Kedron
Public Member
Dallas
5/9/08 - 8/31/19

Alice G. Mendoza, R.Ph.
Kingsville
8/10/06 - 8/31/17

Bradley A. Miller, Ph.T.R.
Austin
9/26/13 – 8/31/19

Phyllis Stine
Public Member
Abilene
8/31/2011 - 8/31/2017

Joyce Ann Tipton, R.Ph., MBA
Houston
1/06/10 - 8/31/15

Charles F. Wetherbee
Public Member
Boerne
1/06/10 - 8/31/15

Dennis F. Wiesner, R.Ph.
Austin
5/9/08 - 8/31/19

Office of the Executive Director**Executive Director**

Gay Dodson, R.Ph.

Director Information Resources

Steve Rapp

Executive Assistant

Becky Damon

Network Specialist

Todd Hayek
Matthew Hays

Receptionist

Debra Dukes

Administrative Services & Licensing**Division Director**

Cathy Stella, P.H.R.

Chief Accountant

Jane Bennett

Staff Services Officer II

Robbi Dana

Accountant I

Taylor King

Accountant II

Chantell Solomon

Accountant III

Sandra Morton

Purchaser

David Hardy

Licensing Administrator

Carol Willess

Licensing Specialists

Rachel Glass
Melinda Uballe
Misty Anderson
Lisa Ake
Marcie Tapia
Barbara Racca
Sarah Smith
Tiffany Reyes
Tammy Baker
Jared Jenkins

Professional Services**Division Director**

Allison Benz, R.Ph., M.S.

Educational Coordinator

Shayda Bakhshi

Senior Administrative Assistant

Lauren Ivey
Margarita Zamarippa

STAFF

Enforcement

Division Director

Carol Fisher, R.Ph., M.P.A.

Chief of Investigations

John Hargis

Chief of Compliance

Ben Santana, R.Ph.

Senior Compliance Officer

Iona Grant, R.Ph.

Compliance Program Officer

Tera McConnell, R.Ph., Pharm.D.

Michelle McDiffett, R.Ph.

Synthia Hill, R.Ph.

Compliance Officers

Terri Burrow, R.Ph.

Kathy Salinas, R.Ph.

James Clark, R.Ph.

Compliance Inspector

David Meryman, Ph.T.R.

Adrienne Bauer, Ph.T.R.

Chris Schuttler, Ph.T.R.

Michelle Raibon, Ph.T.R.

Javier Ledesma, Ph.T.R.

Kimberly Miles, Ph.T.R.

Jo Ann Riley, Ph.T.R.

Jennifer Trook, Ph.T.R.

Vacant

Investigator (9)

Senior Staff Investigator

Melissa Weeden

Investigative Case Manager

Cynthia Fazin

Enforcement Program Administrator

Robert Rivera, Ph.T.R.

Enforcement Program Officer

Nelma Sanchez, Ph.T.R.

Enforcement Program Specialist

Janelle Dooley

Enforcement Officer

Linda Yazdanshenas

Lori Gonzales, Ph.T.R.

Senior Compliance Specialist

Jessica Rodriguez-Reyes, Ph.T.R.

Compliance Specialist

Amanda Debs, Ph.T.R.

Program Specialist

Debra Beall

Enforcement Specialist

Griselda Lopez, Ph.T.R.

Elaine Naivar, Ph.T.R.

Brandy Plummer

Christina Bishop, Ph.T.R.

Darrell Montgomery, Ph.T.R.

Lydia Moreno

Mary Newman, Ph.T.R.

Misty Plant, Ph.T.R.

Yvette Muniz

Enforcement Technician

Noreen Gomez

Lacy Ickes

Ciara Hernandez

Administration Assistant

Demetria Manning

STAFF

Legal

General Counsel

Kerstin Arnold, J.D.

Assistant General Counsel

Caroline Hotchkiss, J.D.

Staff Attorney

Tyler Vance, J.D.

Megan Holloway, J.D.

Ginger Shuffer, J.D.

Legal Assistant Team Manager

Ann Driscoll, Ph.T.R.

Legal Assistant

Tabatha Lowden

Kelly Clark

Kate Hayden, Ph.T.R.

Jessica Hirn

Annalisa Mayfield

Monica Nunez

Amy Burt

Alfredo Garcia

Board Mission

The statutory mission of the Texas State Board of Pharmacy is to promote, preserve, and protect the public health, safety, and welfare by fostering the provision of quality pharmaceutical care to the citizens of Texas, through the regulation of: the practice of pharmacy; the operation of pharmacies; and the distribution of prescription drugs in the public interest.

Board Philosophy

The Texas State Board of Pharmacy will assume a leadership role in regulating the practice of pharmacy and act in accordance with the highest standards of ethics, accountability, efficiency, effectiveness, and open communication. We affirm that regulation of the practice of pharmacy is a public and private trust. We approach our mission with a deep sense of purpose and responsibility. The public and regulated community alike can be assured of a balanced and sensible approach to regulation.

Board Strategic Goals (FY2015-2019)

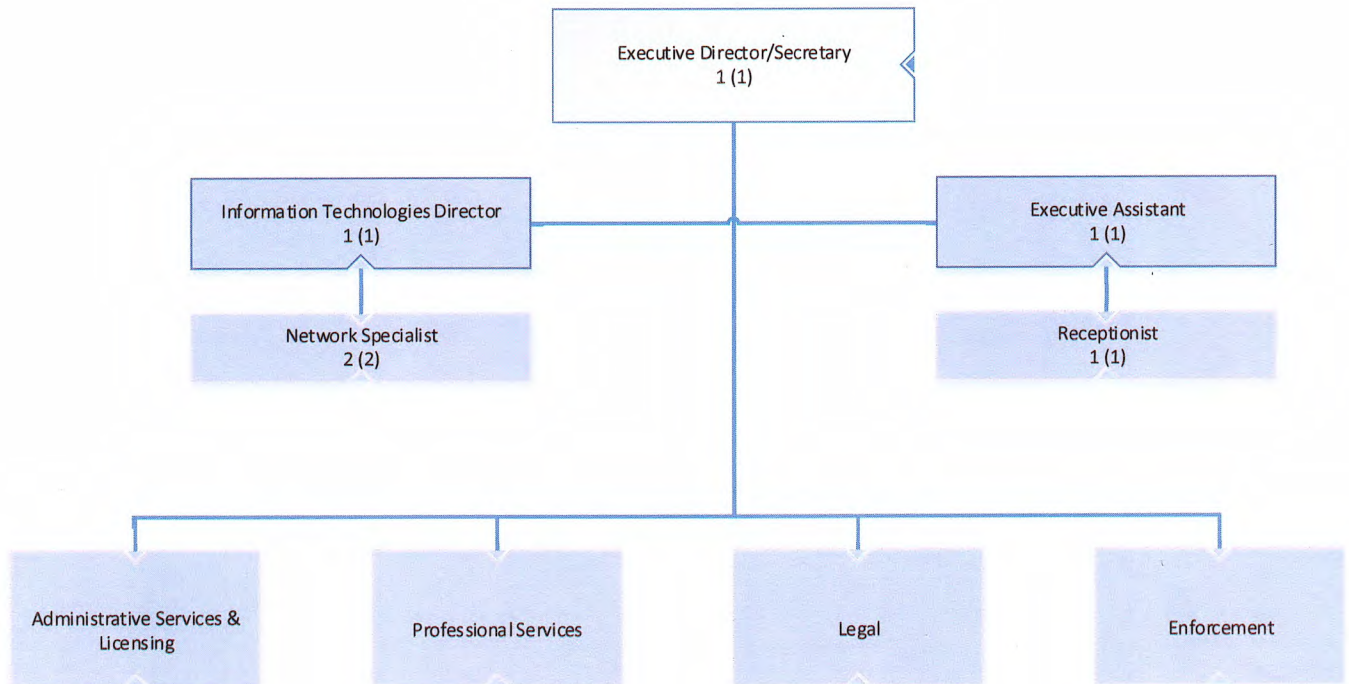
- We will establish and implement reasonable standards for pharmacist and pharmacy technician education and practice, and for the operation of pharmacies to assure that safe and effective pharmaceutical care is delivered to the citizens of Texas [Texas Pharmacy Act (Occupations Code, Sec. 551-566, 568-569)].
- We will assertively and swiftly enforce all laws relating to the practice of pharmacy to ensure that the public health and safety are protected from the following: incompetent pharmacists and pharmacy technicians; unprofessional conduct, fraud, and misrepresentation by licensees; and diversion of prescription drugs from pharmacies; and to promote positive patient outcomes through the following: reduction of medication errors by encouraging or requiring licensees to implement self-assessment programs and continuous quality improvement programs, including peer-review processes; and enforcement of rules relating to patient counseling and drug regimen review, including prevention of misuse and abuse of prescription drugs. [Texas Pharmacy Act (Occupations Code, Sec. 555-569), and Health and Safety Code, Chapter 483, Dangerous Drugs.]
- We will establish and implement policies governing purchasing and public works contracting that foster meaningful and substantive inclusion of historically underutilized businesses (HUBs).

Board Structure

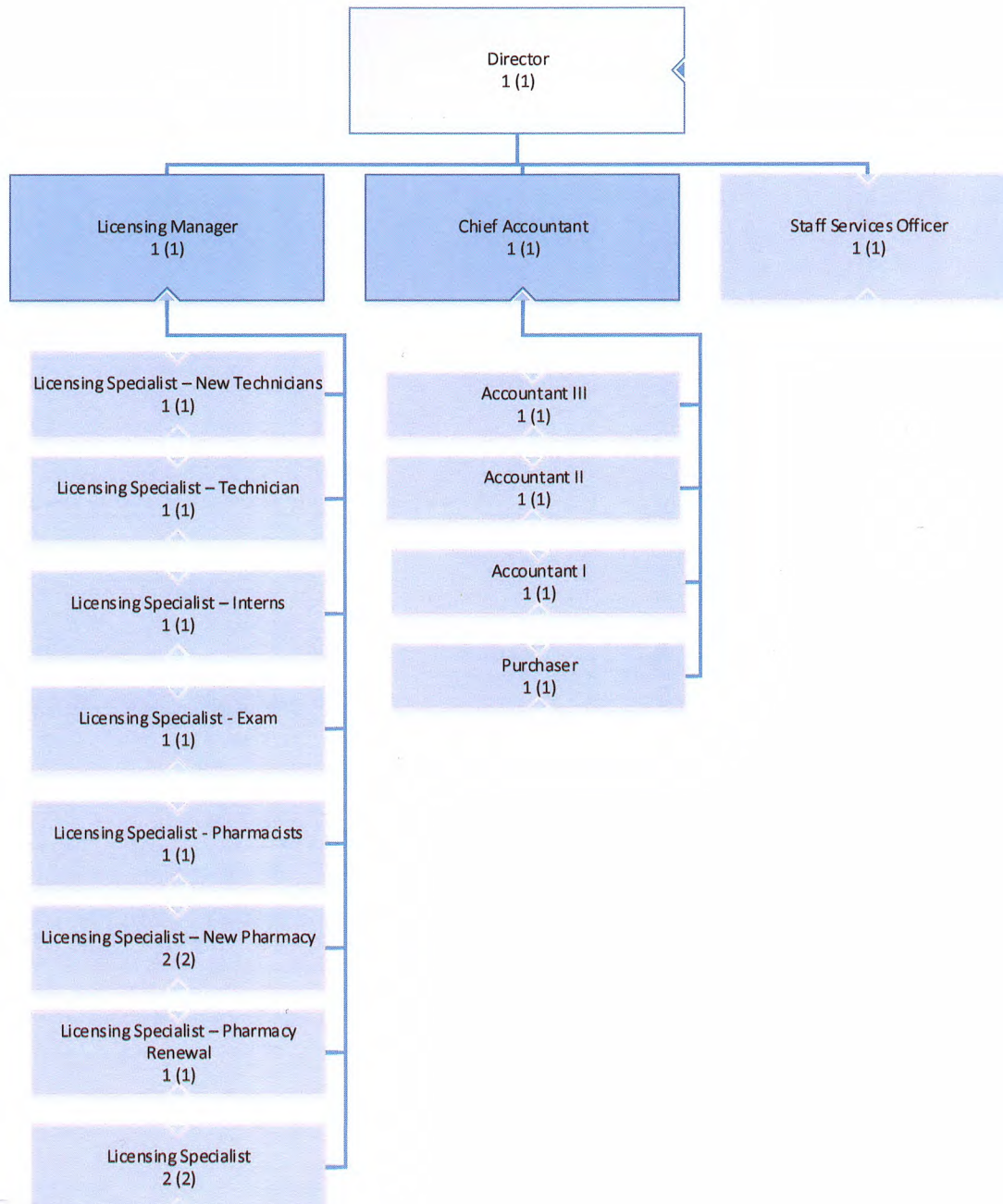
The Board's functional structure at the end of FY2015 was composed of the Office of the Executive Director and four Divisions:

- Division of Administrative Services and Licensing;
- Division of Professional Services;
- Division of Enforcement; and
- Division of Legal Services

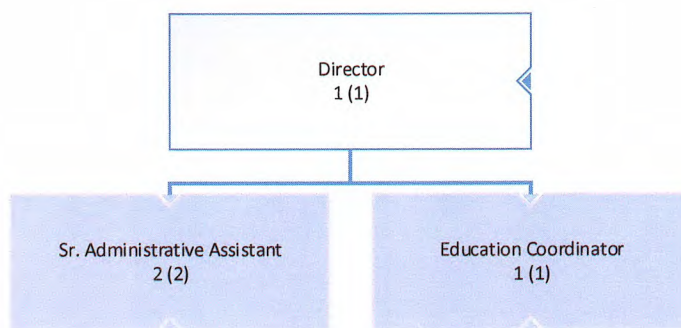
Texas State Board of Pharmacy
Fiscal Year 2015



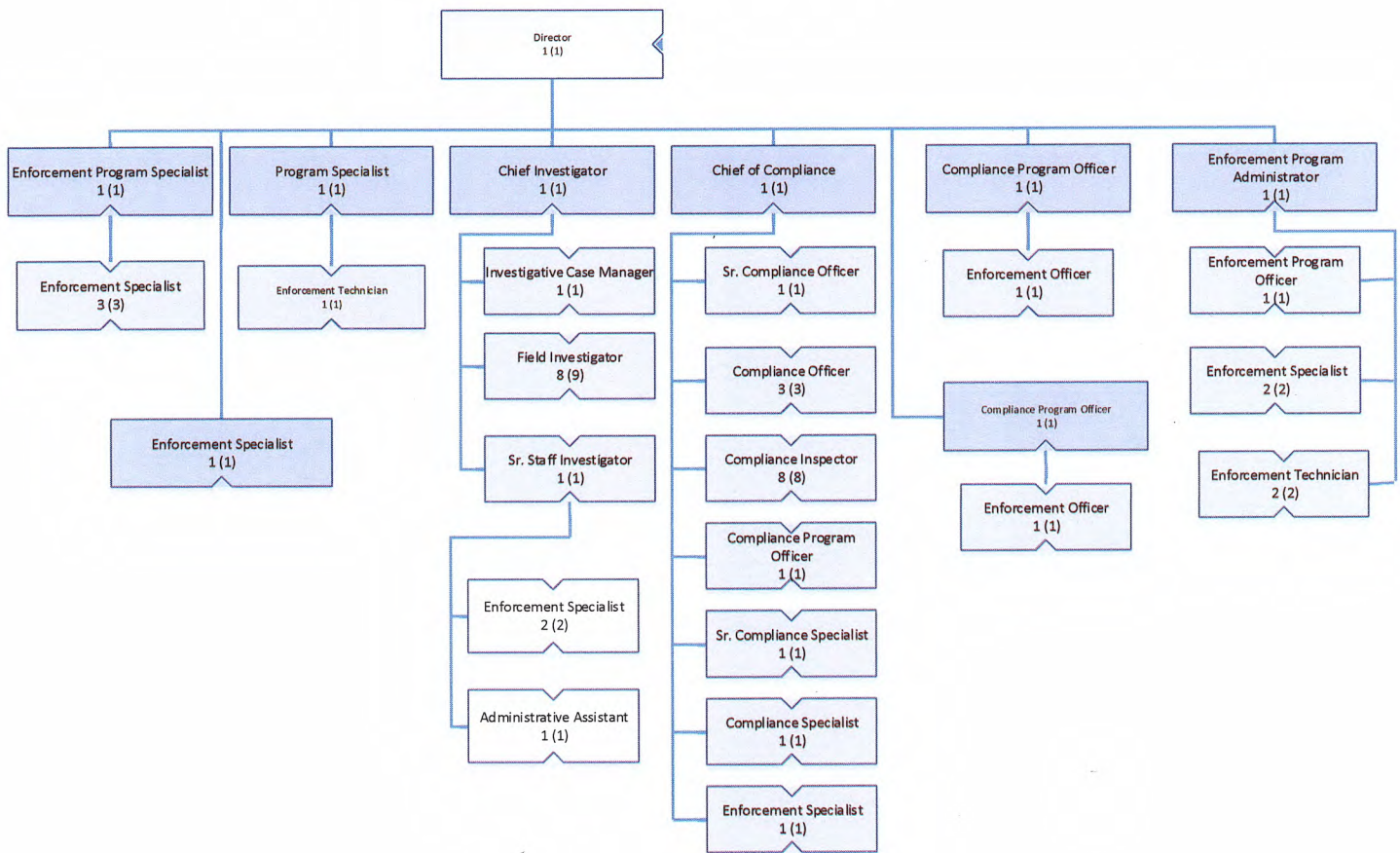
Texas State Board of Pharmacy
Administrative Services & Licensing Division
Fiscal Year 2015



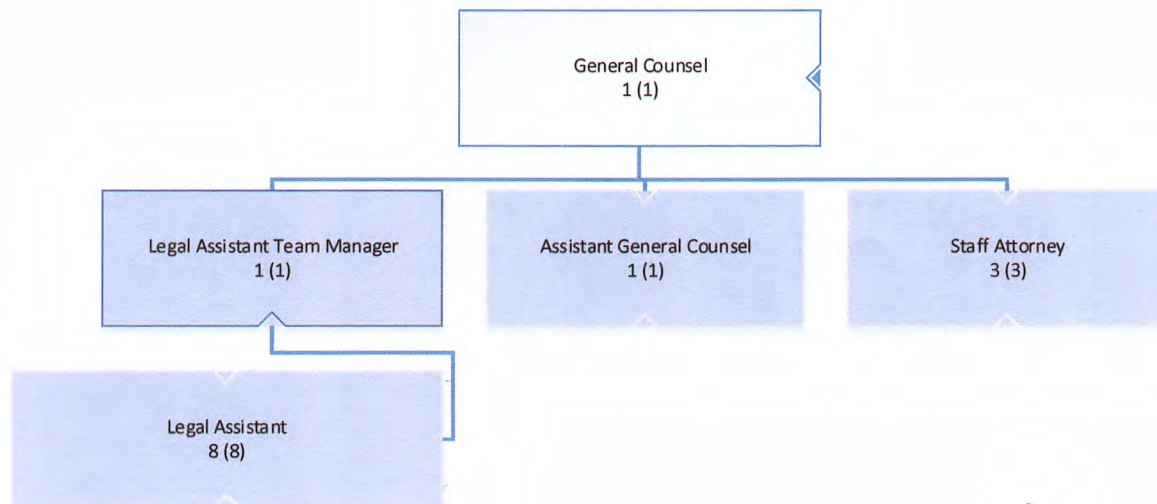
Texas State Board of Pharmacy
Professional Services Division
Fiscal Year 2015



Texas State Board of Pharmacy
Enforcement Division
Fiscal Year 2015



Texas State Board of Pharmacy
Legal Division
Fiscal Year 2015



FY2015 FISCAL REPORT

The attached report represents an unaudited report of the financial activities regarding the internal operating budget for Fiscal Year 2015 (September 1, 2014 - August 31, 2015). A more detailed accounting of the agency's unaudited financial report, which includes all fund types and account groups, a complete statement of revenues and expenditures, and changes in fund balance, can be found in the *"FY2015 Annual Financial Report."*

As of August 31, 2015, the unexpended balance for FY2015 was approximately \$70,728 or 1% under budget.

TEXAS STATE BOARD OF PHARMACY
EXPENDITURES - Fiscal Year 2015 - 4th Quarter
as of August 2015

Code	Description	Budget	Expended	Unexpended Balance/ Lapse	Remaining Budget	Percent Remaining
1008	(a) Professional Fees & Svcs (Other)	119,081.01	101,391.19		17,689.82	14.86%
1010	(b) Professional Fees & Svcs (TPA)	186,260.00	186,260.00		0.00	0.00%
3002	Gas, Other Fuels & Lubricants	33,424.00	33,138.85		285.15	0.85%
3003	Vehicles - Maintenance	21,620.00	21,580.35		39.65	0.18%
3004	Consumable Supplies & Materials	45,420.85	43,475.05		1,945.80	4.28%
3005	Postage	63,784.81	63,761.82		22.99	0.04%
3006	Telephone	48,776.76	46,536.62		2,240.14	4.59%
3014	Subscriptions	16,568.18	15,483.23		1,084.95	6.55%
3018	Travel - Board Members (Service)	28,248.78	20,530.75		7,718.03	27.32%
3019/20	Travel - Board Mbr Conference	17,851.22	17,851.22		0.00	0.00%
3027	Travel - State Vehicle	1,537.05	1,537.05		0.00	0.00%
3028	Travel - Staff (Service)	107,680.40	107,359.83		320.57	0.30%
3037	Travel - Conference - State Vehicle	234.16	234.16		0.00	0.00%
3038	Travel - Staff (Conference)	4,394.30	4,394.30		0.00	0.00%
3039	Travel - Staff (Conf Out Of State)	10,380.09	10,380.09		0.00	0.00%
3040	Travel - Staff S.B. 1100 Reimbursement	2,406.53	2,406.53		0.00	0.00%
3516	Membership Fees & Dues	3,810.00	3,630.00		180.00	4.72%
3518/3517	Administrative Support Service	72,021.78	69,254.00		2,767.78	3.84%
3518(b)	HPC Shared Regulatory Database Migration	266,805.00	266,805.00		0.00	0.00%
3521	Criminal Investigative Expense	574.51	574.51		0.00	0.00%
3534	Freight & Delivery Service	9,400.00	8,522.51		877.49	9.34%
3535	Maint & Repair - Furn & Equip	11,466.00	4,902.05		6,563.95	57.25%
3536	Rental of Furn & Equip	9,872.89	9,872.89		0.00	0.00%
3537	Rental of Space	6,356.71	6,217.43		139.28	2.19%
3538	Bonds & Insurance	9,118.00	8,134.00		984.00	10.79%
3539	Maintenance and Repair-Building	254,484.56	250,780.78		3,703.78	1.46%
3540	Reproduction & Printing	48,512.60	48,044.79		467.81	0.96%
3550	Hearing Expense	693.00	165.00		528.00	76.19%
3570	Registration Fees	18,255.00	17,685.95		569.05	3.12%
3571	Board Member Registration	7,770.00	7,770.00		0.00	0.00%
3581	F & E - Not Capitalized or Inventoried	72,244.08	71,457.28		786.80	1.09%
3582	F & E -Under \$1000-Inventory	40,429.46	40,427.45		2.01	0.00%
3583	F & E -Over \$1000-Inventory	7,154.09	7,154.09		0.00	0.00%
3588	Books & Recorded Materials	1,000.00	203.20		796.80	79.68%
3590	Miscellaneous (HPC Transfer and Fees)	50,901.98	50,249.05		652.93	1.28%
3595	Awards	2,000.00	1,540.08		459.92	23.00%
5001	Purchase of Vehicles	82,342.50	78,158.00		4,184.50	5.08%
7001	Exempt Salaries	109,716.00	109,716.00		0.00	0.00%
7002	Classified Salaries - Full Time	4,529,077.62	4,526,409.30		2,668.32	0.06%
7007	Salaries/Wages-Hourly Part-time FTE	6,989.27	6,361.18		628.09	8.99%
7020	Hazardous Pay	2,580.00	2,580.00		0.00	0.00%
7021	Overtime Pay	13,784.75	13,225.02		559.73	4.06%
7022	Longevity	85,780.00	85,780.00		0.00	0.00%
7023	Lump Sum Termination Payment	21,810.59	20,761.07		1,049.52	4.81%
7025	Compensatory Per Diem	7,850.00	90.00		7,760.00	98.85%
7033	Employees Retirement - Other	524.20	477.09		47.11	8.99%
7040	Addl Payroll Retirement Contribution	21,357.18	21,190.10		167.08	0.78%
7042	Payroll Health Insurance Contribution	44,532.42	44,174.30		358.12	0.80%
7219	Texas Online Fee	234,537.00	234,537.00		0.00	0.00%
7947	State Office of Risk Management	6,101.48	5,817.94		283.54	4.65%
7984	Unemployment Benefits	2,342.33	1,171.09		1,171.24	50.00%
	Controlled Substance Forfeiture Funds (UB)	111,499.30	0.00	111,499.39	0.00	0.00%
	Senate Bill 1100 Remaining Balance	1,024.01	0.00		1,024.01	100.00%
Total ADMIN, LIC & ENF		6,882,386.54	6,700,159.19	111,499.39	70,727.96	1.03%

Office of the Executive Director

This FY2015 Annual Report reflects the objectives accomplished and activities conducted by the agency necessary to implement its *Strategic Plan*. The agency continued to enjoy an excellent reputation with a broad range of customers as a consumer protection advocate and has the support of its activities by the regulated profession.

The numerous accomplishments achieved by TSBP staff are highlighted in each of the division reports. Although specific activities are highlighted under each Division Director's Objectives, TSBP experienced the following major accomplishments and disappointments/constraints in FY2015.

FY2015 SIGNIFICANT ACCOMPLISHMENTS

1. The agency accomplished 100% of its 84 objectives. In addition, the agency met or exceeded nine (90%) of the 10 key performance measures listed in the Appropriations Act and reported on an annual basis to the Legislative Budget Board (LBB). (See Executive Director Ongoing Objective #1 for additional details).
2. During the 2015 Texas Legislative Session, two significant pieces of legislation passed that will affect the Board of Pharmacy as follows:

S.B. 460 by Sen. Schwertner/Rep. Crownover – This bill made numerous “clean-up” amendments to the Texas Pharmacy Act; and

S.B. 195 by Sen. Schwertner/Rep. Crownover – This bill transfers the Texas Prescription Monitoring Program, currently operated by the Texas Department of Public Safety to the Texas State Board of Pharmacy effective September 1, 2016.
3. The agency was successful in obtaining a base appropriation for TSBP for FY2016-2017 that is approximately \$234,000 more than the base appropriation the previous biennium. This additional appropriation is targeted to give TSBP staff a merit raise, an increase to the Executive Director's salary, and increases to technology.

In addition to the base, the agency received a Contingent Revenue rider for implementation of S.B. 195 that would appropriate \$1,311,007 in FY2016 and \$800,913 in FY2017 and give the agency seven additional FTEs. This rider also outlines a schedule of payments to TSBP from all of the agencies that license individuals authorized to access information in the prescription monitoring system to fund S.B. 195. (Note: The Comptroller's Office has determined that the provision that allows agencies to transfer funds to TSBP to fund implementation of S.B. 195 does not become effective until September 1, 2016. Therefore, under their interpretation the agency cannot collect fees from the other agencies until September 1, 2016).

OFFICE OF THE EXECUTIVE DIRECTOR

4. TSBP received and resolved more complaints in FY2015 when compared to FY2014. In addition, the agency's average complaint resolution time decreased by six days a (3% decrease). See Enforcement's Ongoing Objective #3 for additional details regarding complaint data. Data regarding the past five fiscal years is reflected in the chart below:

Year	Complaints Received	% Change Complaints Received Previous Year	Complaints Closed	% Change Complaints Closed Previous Year	% Complaints Closed	Resolution Time (Agency Average)	% Change Time
FY11	5,698	-<1%	5,840	+6%	102%	195 Days	+7%
FY12	5,830	+2%	5,766	-1%	99%	204 Days	+5%
FY13	5,927	+2%	6,552	+14%	111%	187 Days	-8%
FY14	5,561	-6%	5,606	-14%	101%	176 Days	-6%
FY15	5,925	+7%	5,955	+6%	101%	170 Days	-3%

5. During FY2015, despite turnover and training requirements for new hires, TSBP Compliance Field Staff conducted 2,991 inspections of pharmacies located in Texas, as compared to 1,698 inspections conducted in FY2014 (an increase of 76%). This dramatic increase is the direct result of a 71% increase in the number of inspection staff (from seven to 12 inspectors) that was funded by the 83rd Texas Legislature. In addition, Enforcement staff implemented the Class E-S (Non-Resident Sterile Compounding Pharmacy) Inspection program. See Enforcement's Ongoing Objective #2 for further details regarding inspections.
6. Between January 2015 and August 2015, auditors from the State Auditor's Office (SAO) conducted an audit of the agency's policies and procedures relating to the inspections of compounding pharmacies. The final report recognized that TSBP had designed and implemented inspection processes "to help ensure that it conducts inspections of compounding pharmacies in accordance with applicable statutes and administrative rules" including processes to help ensure that inspections of out-of-state pharmacies that compound sterile preparations are completed within the required time frames.
7. Agency Staff gave 62 presentations to approximately 6,226 individuals during FY2015. (See Professional Services Ongoing Objective #4, Enforcement Ongoing Objectives #7, and Executive Director Ongoing Objective #6 for more details).
8. The following TSBP Board Members and staff were appointed to offices, received honors, or received recognition in FY2015:
 - A. Board President Jeanne D. Waggener, R.Ph. was elected to serve as Treasurer of the National Association of Boards of Pharmacy's Executive Committee;
 - B. Board member Christopher M. Dembny, R.Ph. was appointed as a member of the National Association of Boards of Pharmacy's *Task Force on Prescription Drug Abuse*.
 - C. Board member L. Suzan Kedron was appointed as a member of the National Association of Boards of Pharmacy's *Committee on Constitution and Bylaws*.

OFFICE OF THE EXECUTIVE DIRECTOR

- D. Board Member Alice G. Mendoza, R.Ph. was appointed to serve a member of the National Association of Boards of Pharmacy's *Committee on Law Enforcement/Legislation*.
- E. Board Member Bradley Miller, PhTR was appointed to serve a member of the National Association of Boards of Pharmacy's *Committee on Law Enforcement/Legislation*.
- F. Board Member Phyllis A. Stine was appointed to serve as a member on the National Association of Boards of Pharmacy's *Task Force on Prescription Drug Abuse*.
- G. Board member Joyce A. Tipton, R.Ph., MBA was appointed as a member of the National Association of Boards of Pharmacy's *Task Force on Medication Synchronization*.
- H. Board Member Dennis F. Wiesner, R.Ph. was appointed to the National Association of Boards of Pharmacy's *Committee on Law Enforcement/Legislation*.
- I. Board Member Charles F. Wetherbee was appointed to the National Association of Boards of Pharmacy's *Committee on Law Enforcement/Legislation*.
- J. Executive Director/Secretary Gay Dodson, R.Ph. was appointed to serve on the National Association of the National Association of Boards of Pharmacy's *Working Group on Verified Pharmacy ProgramTM(VPPTM)*

FY2015 SIGNIFICANT DISAPPOINTMENTS/CONSTRAINTS

1. Due to space restrictions, agency staff continued to be located in three different areas of the Hobby Building, which had a negative impact on team communication. In addition, agency staff (located in Tower III) was required to travel to Tower I to retrieve files such as inspection reports and other documents that are filed in pharmacy license files. In addition, all agency staff had to retrieve and file complaint files that are retained in filing cabinets that are located in four different areas of the Hobby Building.
2. All of the Licensing Services Programs continue to grow resulting in the following increases in workload.

License	FY11	FY12	FY13	FY14	FY15	% Increase
Pharmacists	27,329	28,417	29,498	30,707	31,807	16.38%
Pharmacies	6,964	7,185	7,350	7,656	7,914	13.64%
Pharmacy Technicians	37,507	39,973	41,497	41,700	41,990	11.95%
Pharmacy Tech Trainees	11,839	13,195	15,187	15,751	18,777	58.60%
Interns	2,806	2,805	2,938	2,949	3,725	32.75%
Total	86,445	91,575	96,470	98,763	104,213	20.55%

3. The agency received Contingent Revenue rider for implementation of S.B. 195 that would appropriate \$1,311,007 in FY2016 and \$800,913 in FY2017 and give the agency seven additional FTEs. This rider also outlines a schedule of payments to TSBP from all of the agencies that license individuals authorized to access information in the prescription monitoring system to fund S.B. 195. However, the Comptroller's Office determined that the provision that allows agencies to transfer funds to TSBP to fund implementation of S.B. 195 does not become effective until September 1, 2016. Therefore, under their interpretation the agency cannot collect fees from the other agencies until September 1, 2016.

FY2015 ANNUAL REPORT**GOAL**

To provide policy advice to the Board, implement Board policies, and manage the organization in a manner that will accomplish the stated mission, goals, and objectives of the agency.

Objectives (New)

1. **To provide testimony, attend public hearings, and provide any fiscal or technical information, and to review all legislation that has an impact on the practice of pharmacy and agency operations, and monitor the process of this legislation, throughout the 84th Texas Legislative Session.**

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

- A. A total of 6,476 pieces of legislation were introduced in the 84th Regular Legislative Session. The Executive Director reviewed or assigned a staff member to review each of these bills. A total of 294 bills that affected the agency or the practice of pharmacy were tracked and monitored as follows.

84th Texas Legislature, Regular Session					
		Session		TSBP Monitored	
		Filed	Passed	Filed	Passed
House					
	Bills	4,207	818	199	38
	Joint Resolutions	133	2	0	0
	House Total	4,340	820	199	38
Senate					
	Bills	2,069	504	95	38
	Joint Resolutions	67	5	0	0
	Senate Total	2,136	509	95	38
Regular Session Total		6,476	1,329	294	76

- B. The Executive Director met or had telephone conversations with Legislators or others or testified before Legislative Committees a total of 40 times as follows (Note: see also meetings related to the FY2016-2017 TSBP Legislative Appropriation Request under New Goal #2 below.

Date	Subject, Legislator, or Committee
9/24/2014	Telephone call from Cheryl in Senator Eltife's office regarding pharmacy technician registration.
10/2/2014	Telephone call from Brandon Batch in Congressman Michael McCall's office regarding hydrocodone.
10/21/2014	Telephone call from Robert in Senator Uresti's office regarding prescription dispensing.
10/30/2014	Meeting with Jordon Dixon of the Senate Health and Human Services Committee regarding pharmacy compounding.
11/2/2014	Telephone call from Shawn Dunn in Representative James White's office regarding pharmacy license application.

OFFICE OF THE EXECUTIVE DIRECTOR

Date	Subject, Legislator, or Committee
11/5/2014	Conference call with the General Accounting office regarding veterinary compounding.
11/17/2014	Meeting with Jordon Dixon, Senate Health and Human Services Committee regarding pharmacy "clean-up bill."
1/6/2015	Telephone call from Luis Moreno in Senator Hinojosa's office regarding disciplinary action.
1/16/2015	Telephone call from Kristen in Senator Taylor's office regarding new pharmacy license.
1/25/2015	Meeting with Carrie Davidson, General Accounting Office regarding veterinary compounding.
1/28/2015	Telephone call from Matt Sims in Representative Spitzer's office regarding H.B. 628.
2/4/2015	Meeting with Liz Doerr, Governor's Appointments office.
2/4/2015	Meeting with Representative Stuart Spitzer regarding S.B. 628.
2/4/2015	Meeting with Amanda Tollett, legislative Director for Representative Sheffield regarding Prescription Drug Donation Programs.
2/2/2015	Telephone call from Brian Law in Representative Susan King's office regarding sterile compounding.
2/5/2015	Meeting with Josh from the Senate Health and Human Services Committee regarding funding for the prescription monitoring program
2/10/2015	Taylor in Representative Sheffield's office regarding recycling of medications.
2/11/2015	Meeting with Representative Vo's office regarding prescription dispensing.
2/17/2015	Telephone call with Maureen Milligan regarding H.B. 1008.
2/18/2015	Conference call regarding H.B. 1008.
3/4/2015	Telephone call from Isabel in Senator Zaffarini's office regarding compounding.
3/4/2015	Senate Health and Human Services Committee Hearing on S.B. 460.
3/17/2015	House Public Health Committee Hearing on H.B. 751.
3/25/2015	Senate Health and Human Services Committee Hearing on S.B. 195.
4/1/2015	Senate Health and Human Services Committee Hearing on S.B. 542.
4/6/2015	Senate Health and Human Services Committee Hearing on S.B. 1243.
4/7/2015	House Public Health Committee Hearing on H.B. 1483 and H.B. 1550.
4/14/2015	House Public Health Committee Hearing on H.B. 2271.
4/16/2015	Meeting with Senator Schwertner's, Representative Crownover's staff and the Department of Public Safety regarding S.B. 195.
4/28/2015	House Public Health Committee Hearing on H.B. 3066.
5/12/2015	House Public Health Committee Hearing on S.B. 195 and S.B. 460.
5/12/2015	Senate Health and Human Services Committee Hearing on H.B. 1550.m m
5/28/2015	Telephone call from Taylor in Representative Sheffield's office regarding S.B. 1243.
6/25/2015	Telephone call from Matt in Senator Charles Perry's office regarding Oregon law that will allow pharmacists to dispense birth control medications.
6/25/2015	Telephone call from Jacob in Representative Collier's office regarding medications for attention deficit disorder.
6/30/2015	Telephone call from Sherisa in Representative Dawwna Dukes' office regarding a new pharmacy license.
7/14/2015	Telephone call from Morgan Stewart in the Governor's appointments office regarding Pharmacy Board appointments.
8/5/2015	Meeting with the Comptroller's Office, Governor's Office and the Department of Public Safety regarding funding for S.B. 195
8/19/2015	Telephone call from J.W. in Senator Eltife's office regarding new pharmacy license.
8/25/2015	Telephone call from Kara Crawford in Governor Abbot's office regarding prescription monitoring program.

- C. During the 8th Legislative Session, the following significant legislation that affected the agency or the practice of pharmacy was passed.

H.B. 751 by Rep. Zerwas/Sen. Kolkhorst (Effective Date: 9/1/2015)

- (1) H.B. 751 amends Pharmacy Act to allow pharmacists to substitute “biological products” if:
- The physician authorizes substitution;
 - The patient doesn’t refuse the substitution; and
 - The “biological product” is designated as “therapeutically equivalent” to another product by FDA.
- (2) The bill specifies that, not later than the third business day after dispensing the pharmacist must “communicate” to the prescribing practitioner the name of the product provided and the manufacturer or NDC number. The communication must be conveyed by:
- entering the information into an interoperable electronic medical record system; or
 - through the use of electronic prescribing technology, PBM system, or a pharmacy record that the pharmacist reasonable concludes is electronically accessible by the prescribing practitioner; or
 - by faxing, phoning, electronic transmission to the physician.
- (3) Notification is not required if:
- there is no interchangeable biological product approved by FDA; or
 - a refill prescription is not changed from the product dispensed on the prior dispensing.

The notification section of the bill expires on 9/1/2019.

- (4) Rules must be adopted by 12/1/2015.

H.B. 1550 by Rep. Zerwas (Effective Date: 1/1/2016)

H.B. 1550 amends the Pharmacy Act by adding a new Section 562.057 that:

- (1) Allows pharmacists, in an emergency, to administer epinephrine to a patient using an auto-injector device;
- (2) Requires the pharmacist to report the administration to the patient’s primary care physician;
- (3) Specifies that a pharmacist may not receive remuneration for the administration; and
- (4) Provides that the pharmacist is not liable for civil damages if the pharmacist acts in good faith and complies with Board rules.

S.B. 195 by Sen. Schwertner/Rep. Crownover (Effective Dates: – see below)

S.B. 195 amends the Texas Controlled Substances Act to:

- (1) Effective 9/1/2016:
- Transfer the prescription monitoring program (PMP) from the DPS to TSBP;
 - Establish a program to fund the Prescription Monitoring Program (PMP) though a surcharge on the license fees of persons authorized to access the PMP; and
 - The Controlled Substance Registration program is abolished.

- (2) Allow the Board, on or after 6/20/2015:
- Allow the Board the authority to adopt rules to implement the PMP and certain other provisions related to prescriptions in the Controlled Substances Act (Sections 481.003(a), 481.075, 481.076(c), 481.0761(a) and (g), Sections 481.073 (Communication of Prescriptions by Agent), 481.074 (Prescriptions) and 481.352;
 - Sign a contract with a vendor to operate the PMP; and
 - Call a meeting of the Prescription Monitoring Work Group.

S.B. 460 by Sen. Schwertner/Rep. Crownover (Effective Date: 9/1/2015)

- (1) S.B. 460 amends the Pharmacy Act to:
- Allow a pharmacy to notify consumers how to file a complaint using an electronic messaging system.
 - Allow the Board to inspect financial records relating to the operation of a pharmacy only in the course of an investigation of a specific complaint;
 - Allow the Board to inspect the records of a pharmacist if the pharmacist practices outside a licensed pharmacy.
 - Specify that a person cannot own a Class E Pharmacy license if the person has held a pharmacist license in this or another state that has been restricted, suspended, revoked, or surrendered for any reason;
 - Specify that a pharmacy license may not be renewed if the license has expired for 91 days or more;
 - Requires a pharmacy to report to the Board in writing, no later than 30-days before the date of a change of location;
 - Prohibit waiving, discounting, or reducing, or offering to waive, discount, or reduce a payment copayment or deductible for a compounded drug in the absence of:
 - A legitimate, documented patient financial hardship; or
 - Evidence of a good faith effort to collect; and
 - Eliminate the requirement to post the "Generic Sign."
- (2) S.B. 460 also amends the Dangerous Drug Act to add a provision currently in the Pharmacy Act that in the event of a natural or manmade disaster allows pharmacist to dispense up to a 30-day supply of a dangerous drug on a refill, without authorization of the practitioner, if:
- Failure to refill the Rx might result in interruption of a therapeutic regimen or create patient suffering;
 - The nature of the disaster prohibits the pharmacist from contacting the practitioner;
 - The Governor has declared a state of disaster; and
 - The Board, through the Executive Director, has notified pharmacies they may dispense up to a 30-day supply of a dangerous drug.

S.B. 807 by Sen. Campbell/Rep. Sheets (Effective Date: 9/1/2015)

S.B. 807 specifies that the Board must waive the license application and examination fees for an applicant who is a military service member or military veteran:

- (1) Whose military service, training, or education substantially meets all of the requirements for the license; or
- (2) Who holds a current license issued by another jurisdiction that has licensing requirements that are equivalent those in Texas.

S.B. 1243 by Sen. Burton/Rep. Sheffield (Effective Date: 9/1/2015)

S.B. 1243 establishes a Prescription Drug Donation Pilot Program (Program) in the Department of State Health Services (DSHS). The Program must be established in one or more cities with a population of more than 500,000 but less than one million.

- (1) A Charitable Drug Donor (pharmacy, nursing home, manufacturer, hospital, etc.) may donate non-controlled prescription drugs to DSHS for use in the Program.
- (2) The donated drugs may be accepted and provided or administered to patients only by a:
 - Charitable medical clinic;
 - Physician's office for patients who receive assistance from an indigent health care program; or
 - Licensed health care professional in a penal institution.
- (3) DSHS must establish and maintain an electronic database which:
 - Lists the name and quantity of each drug donated to DSHS under the program; and
 - Allows a charitable medical clinic, physician, or other licensed health care professional to search for and request drugs.
- (4) The entity providing or administering the drug may charge a nominal handling fee in an amount prescribed by DSHS rule.
- (5) DSHS must adopt rules for by 12/1/2015.

S.B. 1307 by Sen. Mendez/Rep. Susan King (Effective Date: (1/1/2016)

S.B. 1307 specifies that all occupational licensing agencies must adopt rules to:

- (1) Give military service members, veterans, or spouses an exemption from paying a penalty for failing to renew;
- (2) Allow military service members, veterans, or spouses an additional two years to complete any CE requirements or any other requirement related to the renewal of the license.
- (3) Allow agencies to adopt rules that establish alternate methods for a military service member, veteran, or spouse to demonstrate competency to meet the requirements for obtaining the license;
- (4) Requires agencies to post a notice on the home page of the agency's website describing the licensing provisions available to military service members, veterans, and spouses.

S.B. 1462 by Senator West/Rep. Johnson (Effective Date: 9/1/2015)

S.B. 1462 adds a new Subchapter E. Opioid Antagonist to the Dangerous Drug Act that:

- (1) Allows doctors to prescribe/issue a standing order for an opioid antagonist, without risk of discipline, to a:
 - Person at risk of an opioid-related drug overdose; or
 - Family member, friend, or other person in a position to assist a person at risk of experiencing an opioid-related drug overdose.
- (2) Specifies a pharmacist who dispenses or does not dispense an opioid antagonist under a valid prescription is not subject to criminal/civil liability or disciplinary action for:
 - Dispensing or failing to dispense the opioid antagonist; or
 - If the pharmacist dispenses an opioid antagonist, any outcome resulting from the administration of the opioid antagonist.

S.B. 1697 by Sen. Huffman/Rep. Smithee (Effective Date 9/1/2015)

S.B. 1697 makes confidential identifying information of:

- Any person who participates in an execution procedure; and
- Any person or entity that manufactures, compounds, prescribes, dispenses, or provides a substance or supplies used in an execution.

2. **To direct the submission of, provide testimony for, and monitor the progress of the agency's *Legislative Appropriation Request* and corresponding performance measures for FY2016-2017.**

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

- A. H.B. 1 Appropriations Act – The base appropriation for TSBP for FY2016-2017 is approximately \$234,000 more than the base appropriation the previous biennium. The majority of this additional appropriation is targeted to give TSBP staff a merit raise.

In addition to the base, the agency received a Contingent Revenue rider for implementation of S.B. 195 that would appropriate \$1,311,007 in FY2016 and \$800,913 in FY2017 and give the agency seven additional FTEs. This rider also outlines a schedule of payments to TSBP from all of the agencies that license individuals authorized to access information in the prescription monitoring system to fund S.B. 195. (Note: The Comptroller's Office has determined that the provision that allows agencies to transfer funds to TSBP to fund implementation of S.B. 195 does not become effective until September 1, 2016. Therefore, under their interpretation the agency cannot collect fees from the other agencies until September 1, 2016).

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- B. Agency personnel including the Executive Director participated in the following meetings regarding the TSBP Legislative Appropriation Request.

Date	Subject, Legislator, or Committee
8/11/2014	Budget Presentation to the Staff of the Governor's Office and the Legislative Budget Board.
2/19/2015	House Appropriations Committee Hearing on TSBP budget request.
2/20/2015	House Appropriations Subcommittee on Articles VI, VII, and VIII regarding TSBP budget request.
2/25/2015	Senate Finance Committee hearing on the TSBP budget request.
2/27/2015	House Appropriations Committee Hearing on TSBP budget request.

Objectives (Ongoing)

1. To manage and monitor the agency's performance and operational efficiency throughout FY2015.

Status: ACCOMPLISHED

Comment: The agency accomplished or partially accomplished all of the 82 objectives. In addition, the agency met or exceeded nine (90%) of the 10 key performance measures listed in the Appropriations Act and reported on an annual basis to the Legislative Budget Board (LBB) as indicated below.

Performance Measure		FY15 Projected Performance	FY15 Performance Attained	Projected Target Met?*
A. GOAL: MAINTAIN STANDARDS				
Outcome (Results/Impact)				
	Percent of Licensees with No Recent Violations	96.0%	96.4 %	Met
	Percent of Licensees Who Renew Online	93%	97.17%	Exceeded
A.1.1 STRATEGY: LICENSING				
Output (Volume)				
	Number of New Licenses Issued to Individuals	1,450	1,734	Exceeded
	Number of Licenses Renewed (Individuals)	15,329	16,131	Exceeded
Explanatory				
	Total Number of Business Facilities Licensed	7,200	7,914	Exceeded

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B. GOAL: ENFORCE REGULATIONS				
Outcome (Results/Impact)				
	Percent of Jurisdictional Complaints Resulting in Disciplinary Action	15.0%	11.38%	Met
B.1.1 STRATEGY: ENFORCEMENT				
Output (Volume)				
	Number of Jurisdictional Complaints Resolved	5,420	5,922	Exceeded
Efficiencies				
	Average Time for Jurisdictional Complaint Resolution	180	170	Exceeded
Explanatory				
	Number of Jurisdictional Complaints Received	5,620	5,536	Met
B.1.2. STRATEGY: PEER ASSISTANT				
Output (Volume)				
	Number of Licensed Individuals Participating in a Peer Assistant Program	180	160	Not Met

2. To coordinate the development of proposed goals and objectives and budget for FY2016 based on the *Strategic Plan* and projected budget, for submission to the Board two weeks prior to the August 2015 meeting.

Status: ACCOMPLISHED

Comment: A proposed budget, including revenue projections and fee recommendations, was presented and approved at the August 4, 2015, Board Business Meeting. See Comments under Administrative Services and Licensing, Ongoing Objective #3 for additional information.

3. To direct TSBP's "*lead agency approach*" to help assure coordination of TSBP activities with those of other state and federal agencies involved in the regulation of the practice of pharmacy throughout FY2015.

Status: ACCOMPLISHED

Comment: The Executive Director as well as the agency's Enforcement, Compliance, Investigation, Professional Services, and Legal staffs worked extensively with federal, state, and local regulatory agencies. (See Enforcement Division's Ongoing Objective #5, Legal Division's Ongoing Objective #8, and Professional Services Division's Ongoing Objective #9 for details of these cooperative efforts.)

4. To manage the information resource needs (data processing, telecommunication, and Website) of the agency throughout FY2015 by:

- A. evaluating and implementing solutions for the evolving computing needs of the agency;
- B. providing a stable infrastructure for existing systems;
- C. increasing the efficiency and productivity of Board operations; and
- D. securing the agencies system against internal and external threats.

Status: ACCOMPLISHED

Comment: The following were accomplished for this objective.

- A. Major accomplishments include:
 - (1) Board member Informal Conference and Meeting document access was enhanced through the expansion of TSBP imaging system; and
 - (2) Legal case software was migrated to new client server environment.
- B. IT staff was able to maintain a stable infrastructure for existing systems through scheduled, and timely, replacement of hardware/software nearing end of life status.
- C. Major accomplishments include:
 - (1) Employee experience was enhanced through the implementation of an internal portal and ticketing system; and
 - (2) Wireless capabilities were extended to Licensing and Accounting departments.
- D. Major accomplishments include:
 - (1) I.T. facilities upgraded to provide additional cooling capabilities and physical protection of equipment; and
 - (2) Penetration tests and security assessments were performed regularly to identify gaps and vulnerabilities which were then remedied by the security team. Regular security training was also provided to agency staff.

- 5. To review all federal statutes, regulations, and policies that may impact the regulation of the practice of pharmacy and make timely recommendations to the Board for implementation of any required Board actions throughout FY2015.**

Status: ACCOMPLISHED

Comment: The Executive Director and agency staff monitored the activities of the Federal Food and Drug Administration regarding compounding pharmacies, the illegal importation of prescription drugs, Internet pharmacies, and counterfeit prescription drugs. Notices of these activities were forwarded to the Board Members when appropriate.

- 6. As the Executive Director of the Board, throughout FY2015, to:**

- A. represent Board policies and programs to local, state, and national pharmacy, health-related, and consumer organizations;
- B. act as the Board's liaison to the pharmacy professional associations;
- C. continue to take a proactive role in the operation of the Health Professions Council; and
- D. continue to support and participate in the Texas Pharmacy Congress.

Status: ACCOMPLISHED

Comment: The Executive Director accomplished these objectives through the following activities:

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A. Gave 15 presentations to approximately 2,205 persons, as indicated below:

Date	Name of Association/Location of Meeting	Attendance (Approximate)
9/14/2014	University of Texas Pharmacy Practice Seminar, Austin	600
9/17/2014	HEB Pharmacy Conference, San Antonio	400
10/20/2014	NCPA Annual Meeting Panel Presentation on Compounding – the State Perspective, Washington DC	150
10/23/2014	Texas Federation of Drug Stores Annual Meeting, Lost Pines	30
10/24/2014	University of Texas P2 Students, Austin	100
10/26/2014	Texas Pain Society's Annual Meeting, San Antonio	50
11/15/2014	Presentation to the El Paso Pharmacy Association, El Paso	100
3/7/2015	Presentation to the El Paso Area Society of Health-System Pharmacists, El Paso	100
3/18-19/2015	FDA Intergovernmental Meeting on Pharmacy Compounding Panel Presentation, Silver Springs MD	150
4/8/2015	Texas Pharmacy Association's Leadership Conference, Austin	60
4/25/2015	Presentation at the West Texas Pharmacy Association's Annual Meeting, Abilene	100
4/26/2015	Presentation and TSBP Forum at the Texas Society of Health-System Pharmacists' Annual Meeting, San Antonio	125
5/7/2015	Presentation to the Dallas County Pharmacy Association, Richardson	100
6/8/2015	Panel Discussion on the Implementation of the Memorandum of Understanding IACP Annual Meeting, Washington DC	100
7/12/2015	Presentation and TSBP Forum at the Texas Pharmacy Association's Annual Meeting, The Woodlands	150
Total		2,205

B. Participated in 16 interviews with the press as indicated below:

Date	Interview With
6/10/2014	Telephone interview with Ed Silverman of the Wall Street Journal regarding compounding pharmacy.
10/2/2014	Telephone call with David Raziq regarding open records request.
10/14/2014	Telephone call with David Raziq regarding technician ratios and dispensing errors.
10/17/2014	On camera interview with David Raziq of KHOU TV Houston regarding dispensing errors.
10/22/2014	Telephone interview with Maggie Kerkman of CBS in Dallas regarding increase in price for generic drugs.
10/24/2014	Telephone interview with Mary Ann Roser of the Austin American Statesman regarding dispensing errors.
11/7/2014	Telephone interview with James Linden of American Pharmacists regarding TSBP
1/6/2015	Telephone interview with Amy Sorrell of Texas Medicine Magazine regarding the Health and Human

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Date	Interview With
	Services Committee recommendation that the Texas Prescription Monitoring Program be moved from the Department of Public Safety to TSBP.
2/3/2015	Telephone interview with Mary Ann Roser of the Austin American Statesman regarding compounding pharmacies.
2/4/2015	Telephone interview with Emily Rand of CBS News, New York, regarding pharmacy board's regulation of compounding pharmacies.
3/3/2015	Telephone interview with Kevin Krause of the Dallas Morning News regarding compounding pharmacies.
5/26/2015	Telephone interview with Lisa Olsen of the Houston Chronicle regarding the prescription monitoring program.
6/23/2015	Telephone interview with Brianna of Hartley Medical regarding the FDA draft MOU.
7/15/2015	Telephone interview from Louise Nunez with Telemundo in Dallas regarding dispensing errors
8/4/2015	Telephone interview with Mary Ann Roser of the Austin American Statesman regarding disciplinary actions posted on the TSBP website.
8/17/2015	Telephone interview with Paul Stinson of Bloomberg Bureau, National Affairs regarding the State Auditor's report on our implementation of S.B. 1100.

C. Attended 56 meetings and conferences, or participated in telephone calls representing the agency as indicated below:

Date	Name of Association/Location of Meeting
9/21-24/2014	National Association of Boards of Pharmacy District 6, 7, and 8 Meeting, Whitefish, MT
9/23/2014	TPEA Legislative Update, Austin
10/9/2014	Pew Commission Advisory Committee Meeting on Best Practices for State Oversight of Compounding, Washington DC
10/17/2014	Meeting with Cathy DeWitt and Karen Regan regarding legislative session, Austin
10/21/2014	Conference call with NABP and FDA Regarding Information Disclosure
10/23/2014	Conference call regarding the North Texas Ebola Treatment Biocontainment Facility and Pharmacy Services.
10/23/2014	Capitol Area Pharmacy Association Meeting, Austin.
10/14-15/2014	NABP Executive Officer Forum, Chicago IL.
10/26-29/2014	MALTAGON Annual Meeting, Tampa FL.
11/17/2014	Meeting with Cheri Huddleston regarding legislative session, Austin.
12/15/2014	Conference call with representatives of Memorial Herman Hospital in Houston regarding Centralized Sterile Compounding, Austin.
1/8/2015	Meeting with TPA, TFDS, and NACDS regarding Tech-Check-Tech Pilot Project, Austin.
1/13-15/2015	NABP Working Group on Verified Pharmacy Program /Uniform Inspection Process and Form Workshop, Chicago.
1/20/2015	Meeting with Todd Smith and Donna Irwin regarding pharmacy licensing.
1/20/2015	Meeting with DSHS representatives regarding Class D Pharmacies, Austin.

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Date	Name of Association/Location of Meeting
1/26/2015	Meeting with Cheri Huddleston and Audra Connell (AIP) regarding legislative session.
1/28/2015	Entrance Meeting with the State Auditor's Office regarding an Audit of our implementation of S.B. 1100.
1/29/2015	Meeting with Trevor Whitney, TSBP analyst with the Legislative Budget Board.
1/29/2015	Nuclear Pharmacy Task Force meeting, Austin.
1/30/2015	Meeting with representatives of AIP, Austin.
2/2/2015	Meeting with Jeff Mesaros of CVS, Austin.
2/4/2015	Meeting with Liz Doer, Governor's Appointment Office, Austin.
2/4/2015	Meeting with Amy Cheesman, State Auditor's Office, Austin.
2/6/2015	Conference Call with NABP regarding VPP Outsourcing Facilities, Austin.
2/10/2015	TALKCOM2 Meeting, Fort Worth.
2/18/2015	Meeting with Gary Luker regarding elimination of management company ownership rules, Austin.
3/4/2015	Call with Shiri A. Hickman, Texas Federation of Medical Boards.
3/16/2015	Conference call with the Teaching Hospitals of Texas regarding Outpatient Blanket Authorization
3/26/2015	Capitol Area Pharmacy Association Meeting, Austin.
3/31/2015	Meeting with Chris Brooks of Rx Waste Systems.
4/1/2015	Meeting with Jose Camacho regarding Texas Rural Health Care Centers.
4/2/2015	Meeting with Katherine Curtsinger, State Auditor's Office to discuss succession planning.
4/14/2015	Telephone call from Bruce Buckley regarding executions in Texas.
4/17/2015	Meeting with State Auditor's Office regarding implementation of S.B. 1100.
4/29/2015	TSBP ASC/Class F Task Force Meeting.
4/30/2015	University of Texas College of Pharmacy Advisory Committee Meeting.
5/16-20/2015	NABP Annual Meeting, New Orleans, LA.
6/1/2015	Meeting with Bob Eisler regarding the Prescription Monitoring Program.
6/3/2015	Sunset Orientation Meeting.
6/11/2015	Meeting with SAO to discuss Audit Findings.
6/23/2015	Meeting with DSHS regarding licensing of Class D Pharmacies.
6/23/2015	Call with Kevin Plant of Greer Pharmacy in Lenoir NC to discuss allergy extracts.
7/10/2015	Meet with UT Students in for interview at TPA Annual Meeting.
7/9-12/2015	Texas Pharmacy Association's Annual Meeting, Houston.
7/12/2015	Interagency Council Meeting on the Prescription Monitoring Program.
7/15/2015	Meeting regarding naloxone auto-injector.
7/28/2015	Meeting with Ray Solano, Specialty Compounding and Dan Volney, Unique Pharmacy.
7/29/2015	Conference call with Healix.

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Date	Name of Association/Location of Meeting
7/29/2015	Meeting with Texas Facility Commission regarding plans for remodel of 5 th Floor for TSBP move.
7/30/2015	Meeting with George Gooch, HIE Texas regarding the Prescription Monitoring Program.
8/3/2015	Meeting with Justin Hudman, Joe DaSilva, and Kim Roberson of TPA.
8/5/2015	Meeting with the Governor's office, Comptroller's office and DPS regarding implementation of S.B. 195.
8/19/2015	Meeting with State Auditor's Office regarding transfer to the Texas Facility Commission.
8/25/2015	Phone call with Kara Crawford, Governor's office regarding S.B. 195.
8/27/2015	Telephone call regarding implementation of HIE Texas and the Prescription Monitoring Program.
8/31/2015	Meeting with Sunset Staff regarding the TSBP review.

D. Provided testimony and served as a resource on 26 occasions to Interim Legislative Committees, Legislators, and Federal agencies as indicated below:

Date	Activity
10/30/2014	Meeting with Senator Schwertner's staff regarding Pharmacy Compounding
11/5/2014	Conference call with representatives of the federal General Accounting Office regarding Veterinary Compounding
11/17/2014	Meeting with Senator Schwertner's staff regarding Pharmacy Clean-up Bill
1/21/2015	Meeting with representatives from the General Accounting Office regarding TSBP interaction with the DEA and the Board's efforts related to preventing controlled substance diversion.
1/28/2015	Entrance Meeting for the SAO Audit of TSBP implementation of S.B. 1100
1/29/2015	Meeting with Trevor Whitney, Budget Analyst - Texas Legislative Budget Board
2/4/2015	Meeting with Senator Spitzer regarding S.B. 628
2/4/2015	Meeting with Amanda Tollett, Legislative Director for Representative Sheffield regarding Prescription Drug Donation Programs, Austin
2/11/2015	Meeting with Representative Vo regarding a bill he was sponsoring.
2/17/2015	Call Maureen Milligan regarding H.B. 1008
2/18/2015	Conference call regarding H.B. 1008
2/19/2015	House Appropriations Committee Hearing on the TSBP budget request.
2/20/2015	House Appropriations Subcommittee Hearing on Articles VI, VII and VIII
2/25/2015	Senate Finance Budget Hearing on the TSBP Budget Request
2/27/2015	House Appropriations Hearing on the TSBP Budget Request
3/4/2015	Senate Health and Human Services Committee Hearing on S.B. 460
3/17/2015	House Public Health Committee Hearing on H.B. 751
3/18-19/2015	FDA Intergovernmental Meeting on Pharmacy Compounding, Silver Spring, MD
3/25/2015	Senate Health and Human Services Hearing on S.B. 195

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Date	Activity
4/1/2015	Senate Health and Human Services Hearing on S.B. 542
4/6/2015	Senate Health and Human Services Hearing on S.B. 1243 and S.B. 1462
4/7/2015	House Public Health Committee Hearing on H.B. 1483 and H.B. 1550
4/16/2015	Meeting with Senator Schwertner's Staff regarding S.B. 195
4/17/2015	Meeting with State Auditor's Office regarding audit
4/22/2015	Phone conference regarding CCH Implementation of MOU Session
4/28/2015	House Public Health Hearing on H.B. 837, H.B. 892, and H.B. 3066

E. Attended five meetings of the Health Professions Council or HPC committees as follows:

Date	Activity
9/8/2014	Health Professions Council Meeting
10/21/2014	HPC Budget Committee Meeting
12/1/2014	Health Professions Council Meeting
3/9/2015	Health Professions Council Meeting (Ms. Benz attended on behalf of TSBP)
6/15/2015	Health Professions Council Meeting

F. Attended two meetings of the Texas Pharmacy Congress as follows.

Date	Activity
11/19-20/2014	Texas Pharmacy Congress Meeting, San Antonio
5/12-13/2015	Texas Pharmacy Congress Meeting, Dallas

7. **To recommend changes to the Texas Pharmacy Act and rules and to recommend policies and procedures that will enhance the agency's ability to protect the public health, safety, and welfare, or will improve the efficiency and effectiveness of the agency's operations throughout FY2015.**

Status: ACCOMPLISHED

Comment: The agenda for each meeting of the Board included a discussion item listing possible suggestions for changes to the Pharmacy Act. In addition, each Division has made recommendations for improvements (see Administrative Services Ongoing Objective #13, Professional Services Ongoing Objective #12, Enforcement Ongoing Objective #13, and Legal Ongoing Objective #13).

8. **To maintain a staff development program by encouraging Executive Office staff to participate in professional and interpersonal development seminars, cross training, and on-the-job training and to conduct periodic reviews and annual evaluations of Division Directors and Executive Office staff and to monitor evaluations of employees in all Board Divisions throughout FY2015.**

Status: ACCOMPLISHED

Comment: In FY2015, Division staff attended four General Staff Meetings with training as listed below:

- December 11, 2014 – which included EEO training (Ethics and Sexual Harassment) by trainers from Texas Department of Insurance
- February 25, 2015 – which included training presented by Alliance Work Partners (Diversity and Respect in the Workplace)
- May 27, 2015 – which included training presented by Alliance Work Partners (Receiving Feedback)
- August 18, 2015 – which included training presented by Alliance Work Partners (Time Management).

Evaluations of the Division Directors, and Executive Assistant were completed in August 2015.

9. **To provide the Board information necessary to conduct performance evaluation of the Executive Director by August 31, 2015.**

Status: ACCOMPLISHED

Comment: A self and staff evaluation of the Executive Director were presented to the Board at its August 4, 2015 meeting. The Board conducted the performance evaluation at this meeting.

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- 10. To prepare a report on the accomplishments of the Office of the Executive Director and direct the preparation and submission of the agency's *FY2014 Annual Report* to be presented to the Board at the August 2015 meeting.**

Status: ACCOMPLISHED

Comment: The final draft of the TSBP Annual Report for FY2014 was presented to and approved by the Board at the August 4, 2015 Board meeting.

Administrative Services and Licensing Division

FY2015 SIGNIFICANT ACCOMPLISHMENTS

1. The Division accomplished 100% of its objectives.
2. The Division actively participated in the successful passage of Senate Bill 195, the Prescription Drug Monitoring Program. The success of the bill's passage was ultimately due to the cooperation and joint efforts of the TSBP staff and the bill's sponsor, as well as staff from the Legislative Budget Board, the Governor's Office, the Comptroller's Office and the member occupational health related agencies.
3. The Division met or exceeded 100% of the Key Performance Measures required to be submitted to the Legislative Budget Board.
4. The agency was successful in its cooperative efforts to obtain much needed space in the William P. Hobby Building, which is planned for FY2016.
5. The agency was successful in obtaining additional appropriations for the majority of the requested exceptional items during the 84th Legislative session. These included funding merit increases for agency employees, an increase to the Executive Director's salary, and increases to technology.

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

FY2015 SIGNIFICANT DISAPPOINTMENTS/CONSTRAINTS

1. All of the Licensing Services Programs continue to grow resulting in the following increases in workload.

Licensing	FY11	FY12	FY13	FY14	FY15	% Increase
Pharmacists	27,329	28,417	29,498	30,707	31,807	16.38%
Pharmacies	6,964	7,185	7,350	7,656	7,914	13.64%
Pharmacy Technicians	37,507	39,973	41,497	41,700	41,990	11.95%
Pharmacy Tech Trainees	11,839	13,195	15,187	15,751	18,777	58.60%
Interns	2,806	2,805	2,938	2,949	3,725	32.75%
Total	86,445	91,575	96,470	98,763	104,213	20.55%

FY2015 ANNUAL REPORT

GOAL

To administer agency operations including personnel, finance, purchasing and risk management. To conduct a pharmacy and pharmacist licensure system, intern registration program, pharmacy technician registration system, and the ongoing renewal of licenses and registrations.

Objectives (New)

To assist the Executive Director, in cooperation with other Divisions, in the following new objectives throughout FY2015:

1. **Preparing testimony, attending public hearings, providing any fiscal or technical information, reviewing all legislation that has an impact on the practice of pharmacy and agency operations, and monitoring the process of this legislation, throughout the 84th Texas Legislative Session.**

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

- A. **SB 195** – Prescription Drug Monitoring Bill (PDMP) was filed on February 9, 2015 and was finally passed on May 29, 2015. During this time, numerous fiscal notes, budget meetings and discussions with the bill's sponsor and legislative leadership, were held. In addition to an enormous amount of research from other states regarding their costs and implementation of a PDMP program, division staff developed various methods to finance such a program, ultimately developing a method using revenue obtained from member agencies participating licensees and applying for a federal grant. The success of the bill's passage was ultimately due to the cooperation and joint efforts of the TSBP staff and the bill's sponsor, as well as staff from the Legislative Budget Board, the Governor's Office, the Comptroller's Office and the member occupational health related agencies.
- B. **84th Texas Legislature** - The Division Director reviewed and analyzed 121 pieces of legislation that had a potential impact on agency operations. Division Director and Chief Accountant also maintained constant contact with the Legislative Budget Board (LBB) and Governor's Office of Budget, Planning and Policy (GBO) to review and discuss the agency *Legislative Appropriations Request* for FY2016-2017. A total of 44 fiscal notes were researched and submitted to the LBB.

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

- C. The following public hearings were attended by the Division Director in order to provide administrative and technical support to the Executive Director:

Date	Subject, Legislator, or Committee
2/19/2015	House Appropriations Hearing on the TSBP FY2016-2017 Legislative Appropriation Request
2/20/2015	House Subcommittee Workgroup on the TSBP FY2016-2017 Legislative Appropriation Request
2/23/2015	House Appropriations formal meeting on the TSBP FY2016-2017 Legislative Appropriation Request
2/25/2015	Senate Finance Committee Hearing on the TSBP FY2016-2017 Legislative Appropriation Request
5/29/2015	Conference Committee Recommendations passed.

2. Monitoring the progress of the agency's Legislative Appropriations Request and corresponding performance measures for FY2014-2015.

Status: ACCOMPLISHED

Comment: A summary of legislative action affecting the agency's FY2014/2015 budget included additional appropriations to fund 14 new FTE's, including operating costs, for:

- 2 Staff Pharmacist
- 5 new Inspectors (2 pharmacists; 3 technicians)
- 1 new field Investigator
- 1 Administrative Assistant
- 2 License Specialists
- 1 Education Specialist
- 1 Litigation Analyst
- 1 Accountant

Objectives (Ongoing) - Administrative Services

1. To prepare a proposed budget for FY2016 for submission to the Board two weeks prior to the 2015 Annual Policy Meeting.

Status: ACCOMPLISHED

Comment: A proposed budget, including revenue projections and fee recommendations, was presented and approved at the August 2015 Board Business Meeting. See Comments under Ongoing Objective #3 for additional information.

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

2. **To prepare and submit all required accounting and fiscal reports/reconciliations in compliance with all applicable state statutes throughout FY2015.**

Status: ACCOMPLISHED

Comment: The agency submitted the Annual Financial Report (AFR) and the Annual Report of Non-Financial Data, to the Office of the Comptroller for the year ending August 31, 2015, by the due dates. The AFR was reviewed by the Comptroller's Office as part of the statewide annual financial report and found to be in compliance.

3. **To review and recommend to the Executive Director additional sources of spendable revenue and to assess fees charged for Board services throughout FY2015.**

Status: ACCOMPLISHED

Comment: A quarterly operating budget was presented to the Board at each of the regularly scheduled business meetings and recorded as such in the official minutes of the Board meeting.

Fee adjustments were approved by the Board in August 2014 and August 2015, with an effective date of October 1, 2015. The intent of these fee adjustments was to:

- lower the licensing and registration fees for pharmacists, pharmacist and pharmacy technicians & trainees;
- introduce a new surcharge to fund the Prescription Drug Monitoring Program as authorized by 28 §554.006, Occupations Code, effective October 1, 2015; and
- increase other fees relating to pharmacist examination fees; changes of pharmacy location/name or class application fees.

4. **To assess the material needs of the agency and supervise the purchasing and supply activities in accordance with all Texas Procurement and Support Services rules and procedures throughout FY2015.**

Status: ACCOMPLISHED

Comment: The Chief Accountant continued to review all specifications, product tabulations, and purchase requisitions for compliance with agency policies and procedures and CPA rules. This oversight ensured that the appropriate procurement method was identified, the agency received the best value for the product or service purchased, and that funds were always available.

At each board meeting, the Board considered and acknowledged all material changes to the contracts for goods and services in accordance with Section 2155.088 of the Texas Government Code. Board members also received training addressing state contracts and procurement to provide them with an understanding of the ethical and professional responsibilities related to State of Texas Purchasers and Contract Managers entering into contracts and oversight of awarded contracts.

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

5. **To increase the efficiency and productivity of Board office operations by managing and coordinating space needs and on-site maintenance of the Board's office facilities throughout FY2015.**

Status: ACCOMPLISHED

Comment: The staff of the TSBP worked closely and continuously with the management staff of the Texas Medical Board (TMB), the Texas Board of Nurses (BON), the Governor's Office, the LBB and the Texas Facilities Commission (TFC), to develop a plan to maximize the use of office space in the Wm. P. Hobby Building for the upcoming FY2016. Appropriations were passed and earmarked for TFC to accomplish this task and each agency (TSBP, BON, TMB) earmarked funds to contribute to this effort. By year end, a comprehensive plan was developed to move these agencies into underutilized space currently occupied by the Texas Department of Insurance. This plan is expected to be implemented in FY2016.

6. **To serve as the agency's Human Resource Coordinator in ensuring agency compliance with all applicable state and federal personnel statutes throughout FY2015.**

Status: ACCOMPLISHED

Comment: This objective was accomplished as follows:

- A. All newly hired and current employees received Equal Employment Opportunity/Sexual Harassment Training and Sensitive Personal Information Training as required by state law. Other training included CPR Heart Saver Courses, Defensive Driving Course, Diversity and Respect in the Workplace, Receiving Feedback. The agency also offered Employee Assistance Orientation, Workplace Violence Prevention, Employee Assistance Program Training and Cube Etiquette.
- B. Division directors continued to review and revise employee position descriptions.
- C. Division directors continued implementation of "team leader" quarterly meetings.
- D. The agency updated its Employee Handbook of Personnel Policies and Procedures. No employee complaints were filed and there were no employment discrimination or other charges initiated with the Texas Commission on Human Rights.
- E. The agency received 200 applications for employment during this fiscal year, which resulted in 12 new hires and one promotion. (Note: providing EEO information by applicants is strictly voluntary. Twelve (12) applicants did not provide the information thus it is not included in the chart below).
- F. The agency had nine employees that terminated employment with the agency in FY2015, resulting in a turnover rate of 9.8% (including interagency transfers). This compares to the overall statewide turnover rate of the state of 19.0%.

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

TSBP Compared to Travis County Workforce Composition

Agency EEO Data

	WHITE		BLACK		HISPANIC		OTHER		TOTAL		GRAND TOTAL
	M	F	M	F	M	F	M	F	M	F	
Administrators	1	5	0	0	0	0	0	0	1	5	6
Professional	7	14	0	3	2	1	0	0	9	18	27
Para-Prof	11	20	0	1	2	12	0	0	13	33	46
Admin Support	1	5	0	2	0	4	0	0	1	11	12
TOTALS	20	44	0	6	4	17	0	0	24	67	91
Agency	22.0%	48.4%	0.0%	6.6%	4.4%	18.7%	0.0%	0.0%	26.4%	73.6%	
Travis County	34.1%	34.3%	2.8%	4.2%	7.9%	10.6%	3.3%	2.7%	48.1%	51.9%	

New Hires

	WHITE		BLACK		HISPANIC		OTHER		TOTAL		GRAND TOTAL
	M	F	M	F	M	F	M	F	M	F	
Administrators	0	0	0	0	0	0	0	0	0	0	0
Professional	2	2	0	1	0	0	0	0	2	3	5
Para-Prof	0	5	0	0	0	1	0	0	0	6	6
Admin Support	1	0	0	0	0	0	0	0	1	0	1
TOTALS	3	7	0	1	0	1	0	0	3	9	12

Promotions

	WHITE		BLACK		HISPANIC		OTHER		TOTAL		GRAND TOTAL
	M	F	M	F	M	F	M	F	M	F	
Administrators	0	0	0	0	0	0	0	0	0	0	0
Professional	0	1	0	0	0	0	0	0	0	1	1
Para-Prof	0	0	0	0	0	0	0	0	0	0	0
Admin Support	0	0	0	0	0	0	0	0	0	0	0
TOTALS	0	1	0	0	0	0	0	0	0	1	1

Terminations

	WHITE		BLACK		HISPANIC		OTHER		TOTAL		GRAND TOTAL
	M	F	M	F	M	F	M	F	M	F	
Administrators	0	0	0	0	0	0	0	0	0	0	0
Professional	2	3	0	0	0	0	0	0	2	3	5
Para-Prof	1	1	0	0	0	1	0	0	1	2	3
Admin Support	0	1	0	0	0	0	0	0	0	1	1
TOTALS	3	5	0	0	0	1	0	0	3	6	9

Applications

	WHITE		BLACK		HISPANIC		OTHER		TOTAL		GRAND TOTAL
	M	F	M	F	M	F	M	F	M	F	
Administrators	0	0	0	0	0	0	0	0	0	0	0
Professional	10	11	3	1	0	2	1	2	14	16	30
Para-Prof	26	23	1	13	4	13	5	4	36	53	89
Admin Support	11	25	3	8	1	17	1	3	16	53	69
TOTALS	47	59	7	22	5	32	7	9	66	122	188

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

- 7. To serve as the Agency Records Retention Manager to the Texas State Library, in maintaining a Records Retention Program for the economical and efficient management of agency records throughout FY2015.**

Status: ACCOMPLISHED

Comment: The agency continues to save valuable square footage by imaging files. The major project of imaging the historical pharmacy files was completed, and the pharmacist, pharmacy technician and closed technician complaint imaging project continued with 464,182 images scanned into the imaging system. Agency staff destroyed 1,134.63 cubic feet of records in accordance with the TSBP records retention schedule, and 342.8 cubic feet of records were sent to the State Library for storage.

- 8. To serve as the Agency Risk Manager by annually assessing areas of agency risk exposures and recommending procedures to control these exposures throughout FY2015.**

Status: ACCOMPLISHED

Comment: The Texas Internal Audit Act requires all agencies to conduct a formal risk assessment and submit an annual Risk Assessment Report to the Office of the State Auditor (SAO). The Agency conducted an assessment of the major programs of the agency (i.e., fiscal, technology, licensing, public information, rulemaking, peer assistance, enforcement, agency administration) and submitted the Risk Assessment Report by the due date to the SAO.

- 9. To provide verbal and written information to Board staff and customers throughout FY2015 including, by the assigned due dates, the preparation of the LBB Performance and Funds Management Report and other special reports as requested by LBB, legislative committees, legislators, and others, in conjunction with other Divisions as necessary.**

Status: ACCOMPLISHED

Comment: This objective was accomplished by providing reports as follows:

Report Title	Recipient(s)	Division Reporting
FTE State Employees	State Auditor	Administration
Employees Quarterly Report	Texas Workforce Commission	Administration
Employer's Quarterly Federal Tax Return	Internal Revenue Service	Administration
Annual Financial Report	Governor's Office; Legislative Budget Board; State Comptroller; State Auditor	Administration
Non-Financial Annual Report	Governor's Office; Legislative Budget Board; State Auditor	Administration
Operating Budget	Governor's Office; Legislative Budget Board; State Comptroller; State Auditor	Administration
ABEST Reconciliation	Legislative Budget Board	Administration

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

Report Title	Recipient(s)	Division Reporting
Historically Underutilized Business Progress Reports	Governor's Office; Lt. Governor; Speaker of House; Texas Building & Procurement Commission	Administration
Encumbrance Reports	State Comptroller; State Auditor; Legislative Budget Board	Administration
State Use Report	Texas Comptroller of Public Accounts	Administration
EEO Information Report	Texas Workforce Commission	Administration
Minority Hiring Practices	Texas Workforce Commission	Administration
SORM 200	Office of Risk Management	Administration
Performance and Funds Mgmt. Reports	Legislative Budget Board	All
Contract Workforce Report	State Auditor; Legislative Budget Board; Governor	Administration
Open Records Online Monthly Report	Office of Attorney General	Open Records Division
Fleet Management Report	Texas Comptroller of Public Accounts	Administration
Risk Assessment	Governor's Office; Legislative Budget Board; State Comptroller; State Auditor, Sunset Advisory Commission	Administration
Veterans Workforce Summary Report	Comptroller	Administration
Space Utilization Survey	Texas Facilities Commission	Administration
SORM Report	SORM	Administration
Agency Fee/Revenue Report	Legislative Budget Board	Administration
Professional and Consultant Services Report	Legislative Budget Board	Administration
TexFlex Reconciliation Report	Employees Retirement System	Administration
Annual Debt Report	Office of Attorney General	Administration
Procurement Plan	Comptroller	Administration
Audit Corrective Action Plan	State Auditor	Enforcement and Administration
Legislative Session Fiscal Notes	Legislative Budget Board	Administration

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

- 10. To assist the Executive Director in developing and implementing the objectives of the Health Professions Council (HPC) pertinent to Division activities throughout FY2015.**

Status: ACCOMPLISHED

Comment: Division staff participated in the following activities:

- A. Active participation in the ongoing implementation of the joint agency/HPC Shared Regulatory Database System project.
- B. Health Professions Council Annual Report - Division Director submitted recommendations and licensing performance data to be incorporated into the HPC Annual Report.
- C. Continued participation in several HPC centralized services, such as the Courier Service; Shared Employee Training; Shared Information Resource Technology staff; posting of position descriptions, and use of the imaging system.

- 11. To manage employees under the supervision of the Division throughout FY2015, in compliance with all applicable state and federal personnel statutes, including the following: to hire qualified applicants for new or vacant positions; to update or develop job descriptions in compliance with the State Classification System; to participate in State Classification audits of positions; to conduct periodic reviews and annual evaluations of Division employees; and to promote self-development through such activities as on-the-job training, cross-training, and attendance at professional seminars.**

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

- A. Division Director updated and/or reviewed any revised position descriptions for compliance with all personnel statutes.
- B. Division Director prepared new positions descriptions and hired one new Accountant and one new Licensing Specialist.
- C. Division Director conducted regular staff team meetings for division staff and in-house training sessions.
- D. Division staff participated in personal development seminars and participated in all-staff training, as listed in Objective #6.
- E. Division Director conducted the annual evaluation of Division employees in August 2015.

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

- 12. To update the Agency Personnel Handbook and the Division's *Policies and Procedures Manual* as needed and submit any substantive revisions to the Executive Director for approval throughout FY2015.**

Status: ACCOMPLISHED

Comment: The Agency Personnel Employee Handbook was reviewed and specific policies were amended and distributed to all staff at the general staff meeting in December 2014.

- 13. To recommend changes to the Texas Pharmacy Act and rules and to recommend policies and procedures that will enhance the agency's ability to protect the public health, safety, and welfare, or will improve the efficiency and effectiveness of the agency's operations, and forward the recommendations to the Executive Director throughout FY2015.**

Status: ACCOMPLISHED

Comment: Rules and procedures regarding licensing and registration of pharmacists, pharmacies, interns and pharmacy technicians, are reviewed on a regular basis and recommendations are made as necessary. In particular, division staff contributed to the development of the following rules:

- 1) §§291.6, 295.5, 297.4 regarding Fees;
- 2) §283.9 regarding Pharmacist Examination Fees;
- 3) §283.12, 297.10 regarding Military Services Members, Military Veterans, and Military Spouses;
- 4) §283.2 Concerning Graduates from the Canadian Council for Accreditation of Pharmacy Programs;
- 5) §295.6 Concerning Emergency Temporary Pharmacist License;
- 6) §297.11 Concerning Emergency Temporary Pharmacy Technician Registration;
- 7) §291.1 Concerning Pharmacy License Application;
- 8) §§295.1 and 297.9 Concerning Change of Name for Pharmacists and Pharmacy Technicians;
- 9) §295.9 Concerning Inactive License Continuing Education Requirements;
- 10) §297.3 Concerning Criminal History Background Checks for Pharmacy Technician Renewal Applications

- 14. To prepare a report on the accomplishment of Division objectives for incorporation into the agency's *FY2014 Annual Report* and submit to the Executive Director by the due date.**

Status: ACCOMPLISHED

Comment: The Division's first draft of the FY2014 *TSBP Annual Report* was submitted to the Executive Director by the due date. The final draft of the *TSBP Annual Report* was presented to and approved by the Board at its meeting held in August 2015.

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

Objectives (Ongoing) - Licensing

15. To coordinate the collection of licensing data for *Key Performance Targets* required under the 2014-2015 Appropriations Act and to submit to the Executive Director by specified due dates throughout FY2015.

Status: ACCOMPLISHED

Comment: The following chart reflects all year-end data for Licensing Measures required to be reported on an annual basis to the Legislative Budget Board. The statistical data was submitted to the Legislative Budget Board and Governor's Office of Budget, Planning, and Policy by the prescribed due dates, in conjunction with the enforcement performance measures. Within a 5% variance, the division met or exceeded 100% of the Key Performance measures.

LICENSING RELATED PERFORMANCE MEASURES	FY15 Projected Performance	FY15 Performance Attained	Key or Non-Key (K/NK)	Projected Target Met?*
Number of New Licenses issued to Individuals (Pharmacists)	1,450	1,734	K	Exceeded
Number of Licenses Renewed (Individuals – Pharmacists)	15,329	16,131	K	Exceeded
Number of New Registrations Issued to Individuals (Technician and Trainee)	12,500	15,525	NK	Exceeded
Number of Registrations Renewed (Technicians)	15,000	16,092	NK	Exceeded
Percent of New Licenses Issued within 10 days	95%	100%	NK	Exceeded
Percent of Individual Licenses Issued within 7 days	99%	100%	NK	Exceeded
Percent of Licensees (Pharmacists and Pharmacies) with No Recent Violations (Disciplinary Orders)	96%	96.40%	K	Met
Total Number of Pharmacists Licensed	30,460	31,807	NK	Exceeded
Total Number of Facilities Licensed	7,200	7,914	K	Exceeded
Total Number of Individuals (Technicians & Trainees) Registered	55,000	60,767	NK	Exceeded
Percent of Licenses Who Renew Online	93%	95.90%	K	Exceeded
Percent of New Individual Licenses Issued Online	96%	95.85%	NK	Met

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

- 16. To register all qualified pharmacist-interns within an average of ten working days of the receipt of all required documents.**

Status: ACCOMPLISHED

Comment: At year end, a total of 2,017 interns (student interns, intern trainees and extended interns) were certified within one to four days of receipt of required documents. In addition, a total of 5,567 pharmacist preceptors were initially certified or renewed their certification. At fiscal year-end, a total of 9,593 pharmacists were active preceptors.

- 17. To determine the eligibility of all pharmacist applicants applying to take the NAPLEX and Texas Pharmacy Jurisprudence Examination for initial licensing or licensing by reciprocity throughout FY2015.**

Status: ACCOMPLISHED

Comment: Staff presented intern overviews and a NAPLEX and MPJE Orientation to upcoming graduates of Texas Southern University, University of Houston, Texas Tech University, University of Texas, Texas A&M Health Science Center, Irma Lerma Rangel Colleges of Pharmacy and the University of the Incarnate Word Feik School of Pharmacy.

The following statistics relate to all applicants who were determined eligible and received a score for the NAPLEX and MPJE.

JURISPRUDENCE (MPJE)	TOTALS
Candidates Passing	1523 (94.89%)
Candidates Failing	82 (05.11%)
TOTAL ADMINISTERED	1605 (100%)

NAPLEX	TOTALS
Candidates Passing	816 (91.58%)
Candidates Failing	75 (08.42%)
TOTAL ADMINISTERED	891 (100%)

The total number of new licenses issued to individuals is as follows:

NEW PHARMACISTS LICENSED – FY2015	
Graduates of Texas Colleges of Pharmacy	594 (34%)
Graduates of Out-of-State Colleges of Pharmacy	982 (57%)
Credentialed by the Foreign Pharmacist Equivalency Committee	158 (9%)
TOTAL	1734

Regarding reciprocity (license transfer) in and out of Texas, 642 candidates were licensed by reciprocity in FY2015. The National Association of Boards of Pharmacy reports that in calendar year 2015, Texas had the largest number of requests to transfer licensure into the state with 1,179 requests. Further, this is a 14.8% increase compared to the 1,027 requests to transfer a license to Texas made in 2014.

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

- 18. To provide staff support to the *Examination Retake Committee* and any other advisory committee related to licensing issues as required in FY2015.**

Status: ACCOMPLISHED

Comment: Division Director continued to inform applicants who failed the Board licensing examination(s) three times of the committee recommendations to complete college coursework prior to retaking the examination(s).

- 19. To issue a pharmacist license by examination, score transfer, or reciprocity within an average of ten working days after the date the agency receives the examination results throughout FY2015.**

Status: ACCOMPLISHED

Comment: The agency issued 1,734 new pharmacist licenses with an average turnaround time of two business days from the download of the examination results. Of note in calendar year 2015, Texas reports having 31,807 licensed pharmacists, making it one of the states with the highest number of licensed pharmacists, according to census data in the NABP 2015 Survey of Pharmacy Law.

- 20. To issue renewal certificates to all pharmacist candidates within an average of five working days of receipt of the required fee and all required documents throughout FY2015.**

Status: ACCOMPLISHED

Comment: The agency renewed 16,131 biennial pharmacist licenses during FY2015. Approximately 97% of eligible pharmacists renewed their licenses online. The average processing time to issue a renewal license from receipt of a completed application was one business day and 100% percent of licenses were issued within five business days.

The total population of licensed pharmacists for this fiscal year is as follows:

PHARMACISTS LICENSED FY2015	
Active Status	30,060
Inactive Status*	**1,747
TOTALS	31,807

* Not practicing pharmacy in Texas and not reporting continuing education credits.

**Of the above number, 730 pharmacists have been practicing in Texas for more than 50 years or are greater than 72 years old, and are classified as "exempt."

- 21. To audit the pharmacists' compliance with continuing education and to initiate complaints on pharmacists who are not in compliance with the rules regarding pharmacists' mandatory continuing education for renewal, in cooperation with the Enforcement team, throughout FY2015.**

Status: ACCOMPLISHED

Comment: Continuing education audits were completed for all pharmacists requesting to return to an active status.

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

- 22. To issue initial certificates to all pharmacy technician trainee candidates within an average of five working days of receipt of the required documents throughout FY2015.**

Status: ACCOMPLISHED

Comment: The agency issued 11,009 new pharmacy technician trainee registrations bringing the total population of active registered technician trainees for this fiscal year to 18,777. Approximately 97% of trainees applied for their registrations online. The average processing time to issue a pharmacy technician trainee registration from receipt of a completed application was one business day and 100% of certificates were mailed within five working days or less.

- 23. To issue initial and/or renewal certificates to all pharmacy technician candidates on receipt of the required fees and all required documents according to the following guidelines throughout FY2015.**

- A. initial certificates to pharmacy technician applicants within an average of 10 working days; and**
- B. renewal certificates to pharmacy technician applicants within five working days.**

Status: ACCOMPLISHED

Comment: The agency issued 4,516 new pharmacy technician registrations, and renewed 16,092 registrations on a biennial basis, bringing the total population of active registered technicians for this fiscal year to 41,990. Approximately 98% of eligible applicants and pharmacy technicians applied for or renewed their registrations online.

The average processing time to issue a renewal registration from receipt of a completed application was one business day and 100% of certificates were mailed within 10 working days or less.

The average processing time to issue an initial registration from receipt of a completed application was two business days and 100% of certificates were mailed within 10 working days or less.

- 24. To issue an initial and/or renewal certificate to all pharmacy license applicants on receipt of the required fees and all required documents according to the following guidelines throughout FY2015.**

- A. initial certificates to pharmacy license applicants within an average of 21 working days; and**
- B. renewal certificates to pharmacy license applicants within five working days.**
- A. initial certificates to pharmacy license applicants within an average of 21 working days; and**
- B. renewal certificates to pharmacy license applicants within five working days.**

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

Status: **Accomplished**

Comment: The agency issued 520 new pharmacy licenses and 129 changes of ownership, which resulted in 649 new licenses issued. 3,376 licenses were renewed on a biennial basis, bringing the total population of active registered pharmacies for FY2015 to 7,914. Approximately 31% of eligible pharmacies renewed their licenses online.

The average processing time to issue a renewal license from receipt of a completed application was four business days and 90% of licenses were mailed within five working days or less.

Although a small percentage of pharmacies continue to renew their licenses online, it should be noted that the inefficiencies of the new computer system as well as the lack of automated processes, have necessitated that all new pharmacy applications be received and processed in paper format only.

The average processing time to issue an initial license from receipt of a completed application, inspection, and enforcement review was six business days, and 50% of applications were licensed within 21 working days or less.

The following chart represents the total number of pharmacy licenses (business or facilities) issued by the agency, and includes 11 classes of pharmacy licenses.

ACTIVE PHARMACIES FY2015	
Class A (Community)	4,935
Class A-S (Community Pharmacy Engaged Compounding Sterile Preparations)	321
Class B (Nuclear)	37
Class C (Institutional)	732
Class C-S (Hospital Pharmacy Engaged In Compounding Sterile Preparations)	459
Class D (Clinic)	375
Class E (Non Resident)	658
Class E-S (Non-Resident Pharmacy Engaged In Compounding Sterile Preparations)	148
Class F (FreeStanding Emergency Medical Centers)	222
Class G (Central Processing)	26
Class H	01
TOTALS	7,914
Remote Pharmacies	1,561

A total of 3,982 change documents were processed as follows:

PHARMACY APPLICATIONS PROCESSED	
Pharmacy Renewals	3,376
New Licenses Issued [new opens (520) and changes of ownership (129)]	649
Closings	291
Remote Pharmacies	364
TOTAL	4,680

ADMINISTRATIVE SERVICES AND LICENSING DIVISION

25. In cooperation with the Enforcement Division and in compliance with the agency's policies and procedures, to process criminal background checks on applicants for licensure and registration throughout FY2015, including fingerprint-based criminal background checks; and to conduct criminal background checks on licensees and registrants on a quarterly basis throughout FY2015.

Status: ACCOMPLISHED

Comment: Fingerprint-based criminal background checks continued on all applicants for pharmacist-intern, pharmacy technician, and pharmacy technician trainee registrations and pharmacist licensure. In addition, quarterly DPS background checks were run on all individuals, once they are licensed or registered.

Professional Services Division

FY2015 SIGNIFICANT ACCOMPLISHMENTS

1. Division staff accomplished 100% of the Division's Objectives for FY2015.
2. Division Director drafted or assisted others in drafting 34 rules and preparing the rules for review by the Board.
3. Division Director gave 32 presentations/webcasts during FY2015 to over 3,400 pharmacists, pharmacy students, and pharmacy technicians.

PROFESSIONAL SERVICES DIVISION

FY2015 SIGNIFICANT DISAPPOINTMENTS/CONSTRAINTS

1. The number of requests for agency records increased by 46% during FY2015 when compared to FY2014.

PROFESSIONAL SERVICES DIVISION

FY2015 ANNUAL REPORT

GOAL

To facilitate agency operations by providing professional services, including rule development, law exam development, and task force support; and by providing information services for the agency, including responses to requests for public information, public speaking engagements to agency customers, the *Newsletter*, and serving as liaison to the *Texas Register*.

Objectives (New)

To assist the Executive Director, in cooperation with other Divisions, preparing testimony, attending public hearings, providing any fiscal or technical information, reviewing all legislation that has an impact on the practice of pharmacy and agency operations, and monitoring the process of this legislation, throughout the 84th Texas Legislative Session.

Status: ACCOMPLISHED

Comment: Division Director reviewed numerous bills filed during the 84th Legislative Session that had an impact on the practice of pharmacy and/or agency operations. Division Director, with assistance from other Directors, drafted language to implement legislation passed by the 84th Texas Legislature.

Objectives (Ongoing)

1. To develop rules for consideration by the Board relating to professional issues and to assist other Divisions with the development of rules pertaining to Board operations throughout FY2015.

Status: ACCOMPLISHED

Comment: The Division Director spent a considerable amount of time drafting rules, assisting others in the drafting of rules, and preparing and presenting the rules for review by the Board. Changes required by the Board were made quickly to allow final review by the Board in a timely manner, usually during the same Board meeting. The Division Director drafted 34 rules and assisted others in drafting of 14 additional rules as follows:

RULES	
Drafted:	
§281.8 regarding Grounds for Discipline for a Pharmacy License	
§291.133 regarding Compounding Sterile Preparations	
§291.157 regarding Pharmacy Located in Physician's Office	
§§303.1, 303.2 regarding Drug Destruction	
§§291.104, 291.106 regarding Non-resident (Class E) Pharmacy	
§§291.76, 291.151 regarding Removal of Drugs from the Pharmacy	
§295.6 regarding Emergency Temporary Pharmacist License	
§297.11 regarding Emergency Temporary Pharmacist License	
§295.9 regarding Inactive License Continuing Education Requirements	
§§291.51 – 291.54 regarding Nuclear Pharmacies Compounding Sterile Preparations	
§297.8 regarding Pharmacy Technician Continuing Education Requirements	
§291.133 regarding Nuclear Pharmacies Compounding Sterile Preparations	
§283.2 regarding Definition of Healthcare Preceptor	

PROFESSIONAL SERVICES DIVISION

RULES
§283.5 regarding Duties of Pharmacist Intern
§§31.5.1 – 315.14 regarding Controlled Substances
Assisted the Legal Division in Drafting:
§281.8 regarding Grounds for Discipline for a Pharmacy License
Assisted the Licensing Division in Drafting:
§§291.6, 295.5, 297.4 regarding Fees
§291.1 regarding Pharmacy License Application
§291.3 regarding Notifications
§§295.1, 297.9 regarding Change of Name
§297.3 regarding Criminal History Background Checks for Pharmacy Renewal Applications
§283.9 regarding Pharmacist Examination Fees
§291.6 regarding Amended Pharmacy License Fees
§291.103 regarding Pharmacist-in-Charge of Non-resident (Class E) Pharmacy
§291.104 regarding Inspection Reports for Non-resident (Class E) Pharmacy
Assisted Enforcement Division in Drafting:
§291.133 regarding Compounding Sterile Preparations

2. To act as agency liaison to the Texas Register, coordinate and monitor all submissions to the Texas Register, to review and monitor the Texas Register for activities of other agencies that would impact TSBP or pharmacy practice, and to provide periodic notice of publications to Board Members, staff, and other interested parties throughout FY2015.

Status: ACCOMPLISHED

Comment: Division staff accomplished the objective through the following activities:

RULE SUBMISSIONS TO THE *TEXAS REGISTER*

During FY2015, 47 submissions to the *Texas Register* were made that proposed, adopted, reviewed, repealed, or withdrew amendments or new Texas Pharmacy rules. Division staff met all deadlines for submissions to the *Texas Register*; monitored the submissions for action, and notified Board Members, TSBP staff, and other interested parties of the status of rules as follows:

Rules	Type of Action	Published in TxReg as Proposed	Memo to Staff and Others	Published in TxReg as Adopted	Memo to Staff and Others
§291.133	Amendments	FY2014	--	9/5/2014	10/31/2014
§§291.31 – 291.34	Amendments	FY2014	--	9/5/2014	10/31/2014
§291.76	Amendments	FY2014	--	9/5/2014	10/31/2014
§291.151	Amendments	FY2014	--	9/5/2014	10/31/2014
§291.6	Amendments	FY2014	--	9/5/2014	10/31/2014
§295.5	Amendments	FY2014	--	9/5/2014	10/31/2014
§297.4	Amendments	FY2014	--	9/5/2014	10/31/2014
Chapter 281	Rule Review	FY2014	--	9/5/2014	10/31/2014
§§311.1 – 311.2	Rule Review	FY2014	--	9/5/2014	10/31/2014
§§291.31, 291.33, 291.34	Amendments	9/26/2014	10/31/2014	12/7/2014	1/14/2015
§§291.52-291.54	Amendments	9/26/2014	10/31/2014	Withdrawn	--
§291.72	Amendments	9/26/2014	10/31/2014	12/7/2014	1/14/2015
§291.121	Amendments	9/26/2014	10/31/2014	12/7/2014	1/14/2015
§291.133	Amendments	9/26/2014	10/31/2014	Withdrawn	--

PROFESSIONAL SERVICES DIVISION

Rules	Type of Action	Published in TxReg as Proposed	Memo to Staff and Others	Published in TxReg as Adopted	Memo to Staff and Others
§281.8	Amendments	12/26/2014	1/14/2015	3/6/2015	--
§§291.1, 291.3	Amendments	12/26/2014	1/14/2015	3/6/2015	--
§291.133	Amendments	12/26/2014	1/14/2015	Withdrawn	--
§295.1	Amendments	12/26/2014	1/14/2015	3/6/2015	--
§297.9	Amendments	12/26/2014	1/14/2015	3/6/2015	--
§§303.1 – 303.2	Amendments	12/26/2014	1/14/2015	3/6/2015	--
Chapter 291, Subchapter A	Rule Review	12/12/2014	1/14/2015	3/6/2015	--
Chapter 291, Subchapter E	Rule Review	12/12/2014	1/14/2015	3/6/2015	--
§§291.104, 291.106	Amendments	3/27/2015	--	6/12/2015	--
§291.133	Amendments	3/27/2015	--	6/12/2015	--
§295.6	Amendments	3/27/2015	--	6/12/2015	--
§295.9	Amendments	3/27/2015	--	6/12/2015	--
§297.3	Amendments	3/27/2015	--	6/12/2015	--
§297.11	Amendments	3/27/2015	--	6/12/2015	--
§283.9	Amendments	6/26/2015	--	FY2016	
§291.6	Amendments	6/26/2015	--	FY2016	
§§291.51 – 291.54	Amendments	6/26/2015	--	FY2016	
§291.133	Amendments	6/26/2015	--	FY2016	
§295.5	Amendments	6/26/2015	--	FY2016	
§297.8	Amendments	6/26/2015	--	FY2016	
Chapter 291, Subchapter F	Rule Review	6/26/2015	--	FY2016	
Chapter 295	Rule Review	6/26/2015		FY2016	

OPEN MEETING SUBMISSIONS TO THE TEXAS REGISTER

Seventeen notices of open meetings scheduled during FY2015 were submitted by the Division to the *Texas Register* for publication. The submissions were as follows:

Type of Submission	Date Published
Open Meeting 11/4/14 – Board Business Meeting	10/20/14
Open Meeting 1/29/15 – Nuclear Pharmacy (Class B) Stakeholders Meeting	1/13/15
Open Meeting 2/3/15 – Board Business Meeting	1/14/15
Open Meeting 4/22/15 – Temporary Suspension Hearing	4/10/15
Open Meeting 4/26/16 – Board Forum	4/16/15
Open Meeting 4/29/15 – Task Force on Class C Pharmacies Located in Freestanding Ambulatory Surgical Centers and Class F Pharmacies Located in Freestanding Emergency Medical Care Centers	4/10/15
Open Meeting 5/5/15 – Board Business Meeting	4/21/15
Open Meeting 5/12/15 – Temporary Suspension Hearing	5/1/15
Open Meeting 5/12/15 – Temporary Suspension Hearing (emergency)	5/11/15
Open Meeting 5/26/15 – Temporary Suspension Hearing	5/15/15
Open Meeting 5/26/15 – Temporary Suspension Hearing	5/15/15
Open Meeting 5/26/15 – Temporary Suspension Hearing	5/15/15
Open Meeting 7/12/15 – Board Forum	6/22/15
Open Meeting 7/13/15 – Interagency Prescription Monitoring Work Group Meeting	6/26/15

PROFESSIONAL SERVICES DIVISION

Type of Submission	Date Published
Open Meeting 7/13/15 – Temporary Suspension Hearing (emergency)	7/10/15
Open Meeting 8/4/15 – Board Business Meeting	7/22/15
Open Meeting 8/10/15 – Temporary Suspension Hearing (emergency)	8/7/15

3. To respond to open records requests throughout FY2015, in accordance with the procedures set forth in the Texas Public Information Act and to notify various state and federal agencies regarding disciplinary orders entered by the Board.

Status: ACCOMPLISHED

Comment: As indicated in the following chart, TSBP experienced a 46% increase in the number of requests for records in FY2015, as compared to FY2014.

OPEN RECORDS REQUESTS FY11 through FY15

Fiscal Year	Verbal Requests		Written Requests		Total # of Requests		Monthly Average		% Change from Prior Fiscal Year	
	# of Requests	# of Licensees	# of Requests	# of Licensees	# of Requests	# of Licensees	# of Requests	# of Licensees	# of Requests	# of Licensees
FY11	124	131	1,445	2,115	1,569	2,246	131	187	+2%	+7%
FY12	238	295	1,140	2,086	1,378	2,381	115	198	-13%	+6%
FY13	199	239	1,173	2,301	1,372	2,540	114	212	-<1%	+7%
FY14	230	243	1,490	1,863	1,720	2,106	143	176	+25%	-17%
FY15	514	570	1,998	2,434	2,512	3,004	209	250	+46%	+43%

4. To provide information to Board staff and customers, including responses to surveys and questionnaires, oral and written communication, display of the TSBP exhibit at meetings, and public speaking engagements, as needed and required throughout FY2015.

Status: ACCOMPLISHED

Comment: Division staff accomplished this objective through the following activities:

- A. During FY2015, the Division continued to use Mail Chimp, an online email system used to manage email addresses and send email notices. The use of Mail Chimp improved agency efficiency by using less paper and postage. The number of subscriptions to the account steadily increased with just over 8,200 subscribers at the end of the FY2015.

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- B. The Division Director gave twenty live presentations to over 1,275 individuals as indicated in the following chart:

Date	Group	Attendance (Approx.)
9/8/14	Westlake High School Pharmacy Technician Program, Austin	20
9/19/14	HEB Pharmacists' Conference, San Antonio	400
10/2/14	Vendor Drug Regional Pharmacists, Austin	15
10/22/14	Department of Aging and Disability Services Conference, Austin	35
10/25/14	Central Texas Society of Health System Pharmacists, San Antonio	40
10/27/14	Virginia College Pharmacy Technician Program, Austin	10
11/20/14	Texas A&M Health Science Center Irma Lerma Rangel College of Pharmacy, Round Rock	16
1/9/15	Remington College Pharmacy Technician Program, Austin (web)	15
1/17/15	Metroplex Society of Health System Pharmacists, Austin (web)	57
3/10/15	Pasadena Neighborhood Association, Pasadena	30
3/24/15	Heart of Texas Society Of Health-System Pharmacists, Temple	40
4/9/15	Gulf Coast Pharmacy Association Meeting, Beaumont	34
4/16/15	Texas Tech College of Pharmacy Students	45
4/21/15	Kroger Pharmacy Manager Conference, Houston	100
4/22/15	Tenant Healthcare Pharmacists, Austin (web)	25
4/23/15	Kroger Pharmacy Managers Conference, Dallas	100
5/13/15	Brookshire Brothers Pharmacy Manager Conference, Shreveport	128
8/10/15	University of North Texas 1 st Year Students, Fort Worth	100
8/12/15	Bexar County Pharmacy Association, Austin (web)	75
8/25/15	Virginia College Pharmacy Technician Program, Austin	10
TOTAL		1,295

- C. The Division Director provided training and information to new employees and pharmacist-interns regarding the operation of the Professional Services Division.
- D. The Division Director developed an education display that was exhibited at the following meetings:
- HEB Pharmacists' Conference (San Antonio)
 - Texas Society of Health-System Pharmacists Annual Seminar (San Antonio)
 - Texas Pharmacy Association Annual Meeting (The Woodlands)

PROFESSIONAL SERVICES DIVISION

E. Other Activities

- The Division Director routinely answered questions from Enforcement and Licensing staff concerning the laws and rules, including their applicability to specific situations.
- The Division Director routinely monitored the TSBP Website. Changes and/or updates were forwarded to Network Specialist Todd Hayek.

5. To educate licensees/registrants and promote voluntary compliance with the laws and rules by providing information about responsibilities under current regulations and to provide information consistent with the responsibilities of the Board through the publication of an Internet version of the Newsletter; online webcasts; live presentations; and social media including Facebook, Twitter, and You Tube.

Status: ACCOMPLISHED

Comment: A. One issue of the *TSBP Newsletter* was drafted during FY2015. However, the issue was not published on the TSBP website until FY2016.

Throughout FY2015, an email subscription to the Newsletter was available on the TSBP website. Individuals were able to subscribe to the Newsletter by providing an email address. Over 8,200 individuals were subscribed to the email notification as of the end of FY2015 (approximately 20% increase as compared to FY2014).

B. The Division Director gave 13 online presentations to 2,213 individuals (approximately 159% increase as compared to FY2014) as indicated in the following chart:

Date	Program	Attendance (Approx.)
9/18/14	Texas Pharmacy Laws and Rules Update	122
9/25/14	Texas Pharmacy Laws and Rules Update	138
10/9/14	Pharmacist-in-Charge Training	122
11/18/14	Texas Pharmacy Laws and Rules Update	131
12/16/15	Texas Pharmacy Laws and Rules Update	68
1/22/15	Pharmacist-in-Charge Training	44
2/25/15	Texas Pharmacy Laws and Rules Update	460
3/12/15	Pharmacist-in-Charge Training	68
4/16/15	Opioid Abuse	110
5/14/15	Texas Pharmacy Laws and Rules Update	429
6/18/15	Pharmacist-in-Charge Training, Class A	83
7/23/15	Pharmacist-in-Charge Training, Class C	77
8/20/15	Texas Pharmacy Laws and Rules Update	361
TOTAL		2,213

PROFESSIONAL SERVICES DIVISION

- C. Five educational videos were produced and posted on You Tube during FY2015, including a four part series of videos on pill mills. The videos posted in FY2015 have over 6,000 views.
- D. Facebook, Twitter, and YouTube continued to be useful tools to provide information. At the end of FY2015, over 3,400 individuals “liked” TSBP on Facebook and over 2,000 individuals “followed” TSBP on Twitter.

6. **To work with the National Association of Boards of Pharmacy (NABP) in the ongoing development of the Multi-State Pharmacy Jurisprudence Examination (MPJE); coordinate with other staff the review of MPJE item pools on an agreed timetable with NABP to determine appropriate questions for the Texas exam; and to provide new questions for the MPJE as appropriate or requested by NABP throughout FY2015.**

Status: **ACCOMPLISHED**

Comment: The Division accomplished this goal with the cooperation of agency personnel who assisted in the reviews of the MPJE item pool. The Division Director and agency personnel participated in the following activities in support of the MPJE program:

Date	Activity	Personnel
March 25 – 26, 2015	MPJE Texas Item Writing Workshop, Chicago, IL	Allison Benz, Kerstin Arnold

7. **To coordinate the updating of the Texas State Pharmacy Law reference manual with the publisher of the manual during FY2015.**

Status: **ACCOMPLISHED**

Comment: Law Reference

Although the Texas State Pharmacy Law Reference manual was not published by TSBP, the Division Director worked closely with the publisher, Lexis Nexis, to ensure that the reference met TSBP requirements.

Law Reference Updates

Updates to the law reference in the form of Rule Memos were provided to Board Members, staff, and other interested parties on:

- October 31, 2014
- January 14, 2015

NABP Survey of Pharmacy Law Updates

The NABP publication, Survey of Pharmacy Law, is updated annually. During FY2015, the update was completed by the Division Director and returned to NABP by the due date.

PROFESSIONAL SERVICES DIVISION

- 8. To provide professional staff support to Board-appointed task forces and complete other special projects as assigned throughout FY2015.**

Status: ACCOMPLISHED

Comment: Division staff accomplished this objective through the following activities:

- A. The Division's staff provided professional staff support including communicating with task force members regarding meetings and setting up the meetings. The Task Force on Class C Pharmacies Located in Freestanding Ambulatory Surgical Centers and Class F Pharmacies Located in Freestanding Emergency Medical Care Centers met once during FY2015.

In addition, Division staff assisted with one stakeholder meeting regarding nuclear pharmacies and one meeting of the Interagency Prescription Monitoring Program Work Group.

- B. The Division staff prepared and sent out 1,214 continuing education certificates to individuals for programs presented by TSBP staff.

- 9. To provide technical assistance and maintain liaison with federal, state, and local regulatory agencies involved in pharmacy practice regulation throughout FY2015.**

Status: ACCOMPLISHED

Comment: Division staff accomplished the objective through the following activities:

- A. Division Director assisted the Texas Department of Public Safety (DPS) in the review and approval of plans from twenty Texas pharmacies to dispense prescriptions for Schedule II controlled substances issued by out-of-state practitioners.
- B. Division staff maintained close contact with *Texas Register* staff as needed to prepare and publish rules in the *Texas Register*.
- C. Division Director maintained contact with numerous state and federal agencies and other state boards of pharmacy.
- D. Division Director served as liaison to the federal Healthcare Integrity and Protection Data Bank (HIPDB). Division staff submitted 557 Adverse Action Reports to HIPDB during FY2015, as required by federal law.

- 10. To manage employees under the supervision of the Division throughout FY2015, in compliance with all applicable state and federal personnel statutes, including the following: to hire qualified applicants for new or vacant positions; to update or develop job descriptions in compliance with the State Classification System; to participate in State Classification audits of positions; to conduct periodic reviews and annual evaluations of Division employees; and to promote self-development through such activities as on-the-job training, cross-training, and attendance at professional seminars.**

Status: ACCOMPLISHED

PROFESSIONAL SERVICES DIVISION

Comment: This objective was accomplished through the following activities:

- A. Annual performance reviews for Division Staff were conducted in August 2015.
- B. In FY2015, Division staff attended general staff meetings and in-house training sessions. In conjunction with General Staff Meetings, Division staff participated in all-staff trainings.
- C. Senior Administrative Assistants Lauren Ivey and Margarita Zamarripa attended the Office of the Attorney General Open Government Conference on October 22 – 23, 2014.
- D. Education Coordinator Shayda Bakhshi attended Adobe InDesign training classes in September/October 2014.
- E. The Division Director served as co-chair on the agency's Wellness Committee in conjunction with the General Counsel. The General Counsel and Division Director participated in the Center for Disease Control (CDC) Work@Health Program and received a \$4,000 grant from the CDC. To promote wellness, the grant was used to purchase yoga classes, koozies, and lunch bags for TSBP staff.
- F. Division Director assisted with and participated in numerous wellness planning meetings and program activities including the following programs:
 - (1) Maintain No Gain;
 - (2) Farm-to-Work;
 - (3) 15 in 15;
 - (4) Provision of flu shots;
 - (5) Bone density and glucose screening;
 - (6) Weekly yoga classes;
 - (7) Lose and Win and other nutrition presentations; and
 - (8) AED training.
- G. Division staff participated in Wellness events and seminars and numerous Helping Hands activities.

11. To destroy records in accordance with the agency's record retention plan throughout FY2015; and to update the Division's Policy and Procedure Manual as needed and submit any substantive revisions to the Executive Director/Secretary for approval throughout FY2015.

Status: ACCOMPLISHED

PROFESSIONAL SERVICES DIVISION

Comment: During FY2015, the Division accomplished this goal as follows:

A. Records Management

Records in the possession of the Division scheduled for destruction during FY2015 under the approved Record Retention Schedule were identified and destroyed.

B. Policies and Procedures

The policies and procedures for handling Open Records Requests, submitting information to the *Texas Register*, and destroying records according to the Record Retention Schedule were reviewed in FY2015. In addition, Division Director reviewed numerous sections of the Agency Personnel Employee Handbook.

- 12. To recommend changes to the Texas Pharmacy Act and rules and to recommend policies and procedures that will enhance the agency's ability to protect the public health, safety, and welfare, or will improve the efficiency and effectiveness of the agency's operations, and forward the recommendations to the Executive Director throughout FY2015.**

Status: ACCOMPLISHED

Comment: Division Director made numerous recommendations to update the Board rules. Division Director also made recommendations to keep the TSBP website current and easier to use.

- 13. To prepare a report on the accomplishment of Division objectives, for incorporation into the agency's FY2014 Annual Report and submit to the Executive Director by the due date.**

Status: ACCOMPLISHED

Comment: The Division's first draft of the FY2014 *Annual Report* was submitted to the Executive Director by the due date. All Divisions' Annual Reports were compiled and subsequently presented to the Board at its meeting in August 2015.

Enforcement Division

FY2015 SIGNIFICANT ACCOMPLISHMENTS

1. Division staff accomplished 100% of the Division's Objectives for FY2015.
2. TSBP met or exceeded 82% of enforcement-related performance measures for FY2015 (within a 5% variance). See Ongoing Objective #1 for more information regarding performance measures.
3. TSBP received and resolved more complaints in FY2015 when compared to FY2014. In addition, the agency's average complaint resolution time decreased by 6 days (3% decrease). See Ongoing Objective #3 for additional details regarding complaint data. Data regarding the past five fiscal years is reflected in the chart below:

Year	Complaints Received	% Change Complaints Received Previous Year	Complaints Closed	% Change Complaints Closed Previous Year	% Complaints Closed	Resolution Time (Agency Average)	% Change Time
FY11	5,698	-<1%	5,840	+6%	102%	195 Days	+7%
FY12	5,830	+2%	5,766	-1%	99%	204 Days	+5%
FY13	5,927	+2%	6,552	+14%	111%	187 Days	-8%
FY14	5,561	-6%	5,606	-14%	101%	176 Days	-6%
FY15	5,925	+7%	5,955	+6%	101%	170 Days	-3%

4. During FY2015, despite turnover and training requirements for new hires, TSBP Compliance Field Staff conducted 2,991 inspections of pharmacies located in Texas, as compared to 1,698 inspections conducted in FY2014 (an increase of 76%). This dramatic increase is the direct result of a 71% increase in the number of inspection staff (from seven to 12 inspectors) that was funded by the 83rd Texas Legislature. In addition, Division staff implemented the Class E-S Inspection program. See Ongoing Objective #2 for further details regarding inspections.
5. Between January 2015 and August 2015, auditors from the State Auditor's Office (SAO) conducted an audit of the agency's policies and procedures relating to the inspections of compounding pharmacies. The final report recognized that TSBP had designed and implemented inspection processes "to help ensure that it conducts inspections of compounding pharmacies in accordance with applicable statutes and administrative rules," including processes to help ensure that inspections of out-of-state pharmacies that compound sterile preparations are completed within the required time frames.
6. During FY2015, Compliance Field Staff collected 121 samples of compounded preparations from 117 different pharmacies (Class A-S and Class C-S Pharmacies). The 121 samples included 97 sterile preparations and 24 non-sterile preparations. None of the 97 sterile preparations failed sterility, fungal, or endotoxin testing (i.e., 100% were sterile and free of endotoxins and fungus). However, 24 of the 121 samples (20%) failed to yield acceptable potency results. See Ongoing Objective #2 for additional information about the sample collection program.
7. During FY2015, Division staff spent a significant amount of time providing verbal information and assistance to the Board's internal and external customers. Specific examples include: Division staff responded verbally to 22,985 telephone calls received via the Compliance Queue Phone Line; made 10 presentations to an estimated 621 individuals; and maintained liaison with law enforcement agencies across the state, totaling over 709 contacts with 97 agencies (see Ongoing Objectives #5 and #7).

ENFORCEMENT DIVISION

FY2015 SIGNIFICANT DISAPPOINTMENTS/CONSTRAINTS

1. During the 84th Texas Legislative Session, TSBP was appropriated additional funding. However, this appropriation did not including funding for requested reclassifications for Division staff or replacement of agency vehicles. In addition, despite workload increases, the Division did not obtain authorization for additional FTEs and a vacant Field Investigator position was required to be lapsed due to budgetary constraints relating to the implementation of the Prescription Drug Monitoring Program.
2. During FY2015, the Division experienced 12 staff changes, which included four resignations, one retirement, and six new hires. As a result, Division staff spent significant time and efforts to replace vacant positions (e.g., reviewing applications, conducting interviews, preparing orientation schedules and conducting orientation/training for all new employees (see Ongoing Objective #11 for further details regarding personnel changes).
3. Division staff spent significant time monitoring compliance of 543 disciplinary orders entered in FY2015 (or 87% of the 627 disciplinary orders entered in FY2015) that required some type of monitoring by Division staff (see Ongoing Objective #6 for details).
4. During FY2015, TSBP received 242 reports of employee pilferage by 244 individuals resulting in the diversion of 407,612 dosage units of prescription drugs. In FY2014, TSBP received 348 reports of employee pilferage by 229 suspects resulting in the diversion of 749,704 dosage units. Although the number of reports decreased (by 30%) and the number of suspects increased (by 7%), the number of dosage units of stolen/lost prescription drugs decreased by 47% when comparing FY2015 to FY2014.
5. Division Staff spent significant time in accomplishing the following activities:
 - (A) responding to the requests made by the State Auditors during their six-month audit of the agency's policies and procedures relating to inspections;
 - (B) training, coordinating, and monitoring authorized vendors who conduct inspections of Class E-S Pharmacies on behalf of TSBP;
 - (C) preparing the agency's "self-evaluation" document to submit to the Sunset Advisory Commission by the due date in August 2015; and
 - (D) ensuring all pharmacies that compound sterile preparations are inspected every two years.
6. During FY2015, Division staff continued to spend numerous hours on a weekly basis preparing complaint files to be imaged and purging complaints that have met the agency's approved record retention schedule. Despite these space-saving efforts, sufficient space for complaint files continued to be an ongoing problem. In addition, due to space restrictions, agency staff continued to be located on three different areas of the Hobby Building, which had a negative impact on team communication. Further, Division staff (with offices in Tower 3) were required to go to Tower 1 to retrieve/file inspection reports and other documents that are filed in pharmacy license files. Division staff also were inconvenienced in retrieving and filing complaint files which are retained in filing cabinets that are located in four different areas of the Hobby Building.

ENFORCEMENT DIVISION
FY2015 ANNUAL REPORT

GOAL

To promote voluntary compliance with pharmacy laws and rules. To monitor compliance with pharmacy laws and rules. To enforce pharmacy laws and rules through inspections and investigations of pharmacists and pharmacies. To monitor the complaint process and transfer complaints involving substantive allegations to the TSBP Legal Division for review and potential prosecution. To monitor compliance with Disciplinary Orders. To provide enforcement information and information regarding pharmacy laws and rules to agency customers.

Objectives (New)

To assist the Executive Director, in cooperation with other Divisions, preparing testimony, attending public hearings, providing any fiscal or technical information, reviewing all legislation that has an impact on the practice of pharmacy and agency operations, and monitoring the process of this legislation, throughout the 84th Texas Legislative Session.

Status: **ACCOMPLISHED**

Comment: This objective was accomplished through the following activities:

Division Director attended three legislative hearings as a resource witness, as described below:

- February 19, 2015 – Budget Hearing before House Subcommittee on Article 8 agencies
- February 25, 2015 – Budget Hearing before Senate Finance Committee
- March 18, 2015 – Hearing on S.B. 460 before Senate Health and Human Services Committee

Division Director also reviewed several bills for fiscal impact to agency and Division operations, including:

- H.B. 2197 – relating to elimination of fingerprint requirements
- H.B. 2480 – relating to licensing issues
- S.B. 460 – relating to amendments to the Texas Pharmacy Act
- S.B. 1026 – relating to OTC sales of Dextromethorphan
- S.B. 1179 – relating to licensing issues

In addition, in anticipation of S.B. 195 (relating to the transfer to the Prescription Drug Monitoring Program to TSBP) being approved by the 84th Texas Legislature, Compliance Program Officer Michelle McDiffett, R.Ph., assisted in the research, planning and evaluating program information and implementation [e.g., gathering information from other states who have prescription drug monitoring programs, and preparing technical content for request for information, request for proposal, and the Harold Roger's Prescription Drug Monitoring Program grant application (federal grant through the U.S. Department of Justice)].

ENFORCEMENT DIVISION

Objectives (Ongoing)

1. To submit data regarding enforcement and peer assistance data for Key Performance Targets required under the FY2014-2015 Appropriations Act to Executive Director by specified due dates throughout FY2015; to assist in the preparation of applicable reports to the Legislative Budget Board and Governor's Budget Office regarding performance measures.

Status: ACCOMPLISHED

Comment: Throughout FY2015, Division staff collected data relating to enforcement and peer assistance performance measures. The data was certified and submitted to the Legislative Budget Board (LBB) and Governor's Office of Budget, Planning & Policy (GBO) by the prescribed due dates, in conjunction with licensing-related performance measures. Statistics regarding three enforcement-related performance measures (Number of Jurisdictional Complaints Resolved, Average Complaint Resolution Time, and Number of Individuals Participating in a Peer Assistance Program) were reported to the LBB and GBO on a quarterly basis throughout FY2015. The other eight measures were reported to the LBB and GBO at year-end (annual basis).

TSBP met or exceeded, within a 5% variance, nine of the 11 enforcement-related performance measures (82%). All but one of the six key performance measures were met or exceeded (within a 5% variance), as indicated in the chart below:

Enforcement-Related Performance Measure	FY15 Projected Performance	FY15 Performance Attained	Key or Non-Key (K/NK)	Projected Target Met?*
Outputs:				
Inspections	2,400	2,993	NK	Exceeded
Jurisdictional Complaints Resolved	5,420	5,922	K	Exceeded
Number of Licensed Individuals Participating in a Peer Assistance Program	180	160	K	Not Met
Efficiency:				
Average Time for Jurisdictional Complaint Resolution	180	170	K	Exceeded
Outcomes:				
Percent of Jurisdictional Complaints Resolved Resulting in Disciplinary Action	15.0%	11.38%	K	Met
Percent of Licensees (Pharmacists and Pharmacies) with No Recent Violations (Disciplinary Orders)	96.0%	96.4 %	K	Met
Recidivism Rate of Those Receiving Disciplinary Action	4.0%	6.5%	NK	Met
Percent of Jurisdictional Complaints Resolved within Six Months	65.0%	71.18%	NK	Exceeded
Recidivism Rate for Participants in Peer Assistance Program	20.0%	28.89%	NK	Not Met
One-Year Completion Rate for Participants in Peer Assistance Program	85.0%	80.49%	NK	Met
Explanatory:				
Jurisdictional Complaints Received	5,620	5,894	K	Exceeded

* Within a 5% variance, TSBP's actual performance was either: equivalent to projected performance ("Met") or better than projected performance ("Exceeded").

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2. To monitor pharmacy inspections and pharmacists' practice by conducting 2,800 inspections, inspection-visits, and/or visits, including follow-up inspections to "Warning Notices" throughout FY2015. To inspect pharmacies and monitor pharmacists' practice throughout FY2015, according to the following priorities:
- A. Pre-inspections of pharmacies who are applying for a new pharmacy license;
 - B. Pharmacists and pharmacies who are the subject of a complaint received by TSBP or a disciplinary order entered by TSBP;
 - C. Pharmacies that compound sterile preparations, including Class E Pharmacies (Non-Resident) pharmacies and other classes of pharmacies that compound high-risk sterile preparations;
 - D. New pharmacies or pharmacies with a recent change of ownership;
 - E. Pharmacies that have received a "Warning Notice" (follow-up inspections);
 - F. Pharmacies that have experienced a theft of loss of prescription drugs; and
 - G. Routine inspections.

Status: ACCOMPLISHED

Comment: During FY2015, despite turnover and training requirements for new hires, TSBP Compliance Field Staff conducted 2,991 inspections of pharmacies located in Texas, as compared to 1,698 inspections conducted in FY2014 (an increase of 76%). This dramatic increase is the direct result of a 71% increase in the number of inspection staff (from seven to 12 inspectors) that was funded by the 83rd Texas Legislature.

The term "inspections" includes inspections, pre-inspections, partial-inspections, and inspection-visits. These terms are described below:

- A. Inspections are full inspections of licensed facilities in which Compliance field staff check the facilities for compliance with each of the items on the inspection report form.
- B. Pre-Inspections are partial inspections that occur prior to TSBP issuing the pharmacy license. The Compliance field staff determines if the pharmacy has the necessary items to open and operate a pharmacy in compliance with the laws and rules governing the practice of pharmacy. A pharmacy license is not issued to the facility unless the facility can pass the pre-inspection process.
- C. Partial-Inspections are inspections of licensed facilities in which Compliance field staff check the facility for compliance with a portion of the items on the inspection report form. In addition, partial inspections include follow-up inspections of pharmacies that received a "Warning Notice" to determine if the pharmacies have corrected the discrepancies listed on the "Warning Notice." Follow-up inspections are conducted within six months after the pharmacy has notified the Board in writing that the discrepancies have been corrected.

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- D. Inspection-Visits are inspections in which Compliance field staff generally do not complete an inspection report form. Inspection-visits include inspections of non-licensed facilities that are operating a pharmacy (e.g., medical supply house), visits made to pharmacies that have closed (and did not notify the Board), and visits to “new” pharmacies that have not opened for business. The last two situations are discovered by Compliance field staff after arriving at the addresses listed in Board records.

Statistics regarding these inspections are set forth below:

Total Inspections by Type	FY2013*	FY2014	FY2015**	% of FY15	3-Year Average	% of 3-Yr. Average
Inspections	1,300	1,257	2,537	85%	1,698	80%
Pre-Inspections	170	155	156	5%	160	8%
Partial-Inspections	157	234	164	5%	185	9%
Inspection-Visits	6	4	25	1%	12	1%
Attempted Inspections	49	27	100	3%	59	3%
Other	16	21	9	<1%	15	1%
Total	1,698	1,698	2,991***	100%	2,129	100%

* 7 FTE (inspector positions)

** 12 FTE (inspector positions)

*** This number does not include the Class E-S inspection conducted by TSBP Compliance Officers

Number of Inspections/Visits by Class	FY2013	FY2014	FY2015	% of FY15	3-Year Average	% of 3-Yr. Average
Class A Pharmacies	1,425	1,176	2,275	76%	1,625	76%
Class A-S Pharmacies *	N/A	4	144	5%	49	2%
Class B Pharmacies	0	3	5	<1%	3	<1%
Class C Pharmacies	199	446	268	9%	304	14%
Class C-S Pharmacies *	N/A	4	128	4%	44	2%
Class D Pharmacies	67	56	95	3%	73	3%
Class F Pharmacies	4	5	61	2%	23	1%
Class G Pharmacies	3	4	15	<1%	7	<1%
Total	1,698	1,698	2,991**	100%	2,129	100%

* New class added during Fiscal Year 2014

** During FY15, two TSBP Compliance Officers inspected on Class E-S Pharmacy (out-of-state compounding pharmacy) over the course of two days. In addition, authorized vendors (on behalf of TSBP) conducted 65 inspections of Class E-S pharmacies.

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Number of Warning Notices Issued by Class*	FY2013	FY2014	FY2015	% of FY15**	3-Year Average	% of 3-Yr. Average
Class A Pharmacies	519	536	992	77%	682	74%
Class A-S Pharmacies***	N/A	3	84	6%	29	3%
Class B Pharmacies	0	0	2	<1%	1	<1%
Class C Pharmacies	62	316	80	6%	153	17%
Class C-S Pharmacies ***	N/A	4	87	7%	30	3%
Class D Pharmacies	13	18	31	2%	21	2%
Class F Pharmacies	3	2	17	1%	7	1%
Class G Pharmacies	0	0	0	N/A	0	N/A
Total	597	879	1,293	100%	923	100%

* A pharmacy may be issued a "Warning Notice" for non-compliance with more than one condition.

** This figure is the number and percentage of pharmacies receiving a "Warning Notice" during an inspection/visit and is based on the number of inspections/partial-inspections/visits conducted for the particular class of pharmacy.

*** New class added during Fiscal Year 2014

Conditions Receiving "Warning Notices" FY2015						
Percentages are based on the total number of "Warning Notices" issued to Pharmacies in FY2015. Note - Pharmacies may be issued a "Warning Notice" for non-compliance with more than one condition.						
Type of Violation	FY2013	FY2014	FY2015	3-Year Average	% FY2015	% 3-Year Average
Equipment	34	59	117	70	3%	2%
Balance Failed Inspection	23	41	80	48		
Equipment Inspection Due (Not Balance)	11	17	35	21		
Insufficient Equipment	0	1	2	1		
Pharmacy Technicians	225	398	564	396	14%	14%
No/Incomplete Training	185	367	510	354		
No/Improper Supervision	27	10	19	19		
Improper Registration	8	16	29	18		
No Name Tags	5	5	6	5		
Inadequate Library	71	122	200	131	5%	4%
Counseling Area	1	2	1	1	N/A	N/A
Licenses	184	72	68	108	2%	4%
Licenses Not Posted	173	63	63	100		
Delinquent Licenses	11	9	5	8		
Prescriptions	109	160	335	201	8%	7%
Lack Proper Information	30	77	159	89		
Prescription Label Incorrect	71	68	136	92		
Triplicate Non-Compliance	8	15	40	21		

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Conditions Receiving "Warning Notices" FY2015 Continued						
Type of Violation	FY2013	FY2014	FY2015	3 Year Average	% FY2015	% 3-Year Average
Drug Stock/Environment	184	271	421	292	10%	10%
Improper Environment	55	100	137	97		
Out-of-Date Drug Stock	70	83	158	104		
Security	36	36	65	46		
Unsanitary	17	30	32	26		
Improper Drug Storage	5	16	20	14		
Area for Non-Sterile Compounding	0	2	7	3		
Violation of Limited Formulary	1	4	2	2		
Prohibited Drugs (Class D)	0	0	0	0		
Inventory	104	157	319	193	7%	7%
No Annual Inventory	33	48	84	55		
No Change of Ownership Inventory	1	6	5	4		
No Change of PIC Inventory	31	32	35	33		
Incomplete Inventory	35	68	194	99		
No Perpetual inventory (Class C)	1	2	0	1		
Improper Drug Destruction	3	1	1	2		
Improper Prepackaging Procedures	16	19	69	35	2%	1%
Computer Systems	78	85	193	119	5%	4%
Computer Records Incomplete	75	84	193	117		
Computer Records Non-Compliance	3	1	0	1		
Records	143	273	731	382	18%	13%
Records Not Available	67	90	314	157		
DEA Order Forms Incomplete	0	0	0	0		
Absence of R.Ph. Record	10	15	66	30		
Rx Not Separated	6	7	17	10		
Rx Records not Numerical Order	2	5	25	11		
Improper Transfer of RX copies	3	5	3	4		
Invoices Not Separated/Retrievable	23	52	122	66		
Records for Non-Sterile Compounds	19	77	169	88		
No Written Information on Prescription	13	22	10	15		
Improper Refill Documentation	0	0	5	2		
OBRA Violations	175	152	118	148	3%	5%
Written Information Not Provided	13	22	61	32		
No Patient Counseling	159	117	49	108		
PMR Absent or Incomplete	3	13	8	8		

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Conditions Receiving "Warning Notices" FY2015 <i>Continued</i>						
Type of Violation	FY2013	FY2014	FY2015	3 Year Average	% FY2015	% 3-Year Average
Sterile Pharmaceutical Violations	154	844	647	548	16%	19%
No/Incomplete QA/QC	14	141	99	85		
No/Incomplete P&P Manual	58	128	237	141		
No/Inadequate Preparation Area	51	358	165	191		
IV Preparation	26	196	131	118		
No DUR	3	15	13	10		
Absence of R.Ph. Pick-Up-Records	1	0	0	<1		
Cytotoxic/Bio Procedures	1	6	2	3		
No/Incomplete Non-Sterile Cpd Records	19	77	0	32	N/A	1%
Improper Distribution	18	23	35	25	1%	1%
No PIC	18	18	27	21	1%	1%
Dispensing	106	75	114	98	3%	3%
Improper Dispensing	70	38	66	58		
Aiding and Abetting	4	4	13	7		
Illegal Dispensing	5	3	4	4		
Substitution Non-Compliance	4	7	0	4		
Out-of-State Rx's for Controlled Substances	0	0	0	0		
Improper Emergency Room Dispensing	1	1	0	1		
Improper Automated Dispensing Procedures	22	21	31	25		
Improper Provision	0	1	0	<1		
Improper Advertising	0	0	0	0	N/A	N/A
Notification Violation	42	74	120	79	3%	3%
Theft & Loss of C/S Not Reported	18	34	34	29	1%	1%
Gray Market diversion	0	1	1	1	N/A	N/A
Improper Closing/Change of Ownership	0	5	4	3	N/A	N/A
Improper Inpatient Procedures (Class C)	0	0	20	7	N/A	N/A

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The total number of inspections, partial-inspections, and inspection-visits by priority are indicated below for the past three fiscal years:

Purpose of Inspection (In Order of Priority)	FY2013	FY2014	FY2015	% of FY15	3-Yr. Avg.	% of 3-Yr. Avg.
Complaint	111	69	35	1%	72	3%
Follow-up to Disciplinary Order	24	4	8	<1%	12	1%
Pre-Inspection New	169	152	157	5%	159	7%
New Pharmacies	72	68	164	5%	101	5%
Change of Ownership	7	9	10	<1%	9	<1%
Preceptor	10	0	3	<1%	4	<1%
Follow-up to "Warning Notice"	113	99	105	4%	106	5%
Routine Inspections	1,023	864	2,275	76%	1,387	65%
Follow-up to Theft/Loss	93	9	12	<1%	38	2%
Rank Change *	N/A	N/A	6	<1%	N/A	N/A
Licensee Request *	N/A	N/A	5	<1%	N/A	N/A
Other **	76	424	211	7%	237	11%
Total	1,698	1,698	2,991	100%	2,129	100%

* New Purpose added in late FY 2015

** Most of these inspections were for the purpose of Rank Change

Effective September 1, 2014, following a qualification process, TSBP authorized inspectors from three authorized vendors to begin inspecting Class E-S Pharmacies and applicants for a Class E-S pharmacy license, on behalf of TSBP ("vendor inspectors"). These inspections were mandated as a result of amendments to the Texas Pharmacy Act by the 83rd Texas Legislature – i.e., all non-resident pharmacies that were shipping compounded sterile preparations into Texas were required to be inspected before a license was issued to that pharmacy and every two years during the pharmacy's renewal period. Implementing this new program resulted in an enormous workload increase, as described below.

Compliance Program Officer Tera McConnell, Pharm.D., R.Ph., assumed the following responsibilities relating to this new program:

- Reviewing inspection reports submitted by vendor inspectors;
- following up on unsatisfactory conditions that were noted during these inspections;
- monitoring the analysis of samples of compounded sterile preparations that were collected by vendor inspectors;
- reviewing monthly activity reports submitted by each vendor; and
- serving as a liaison with the vendors and vendor inspectors.

Photographs of authorized vendor inspectors were posted on the TSBP website for credentialing purposes. In addition, Division staff conducted webinars with vendor inspectors to help ensure that they were properly trained to inspect Class E-S Pharmacies in accordance with TSBP Rules. As of the end of FY2015, TSBP was responsible for regulating approximately 150 Class E-S Pharmacies.

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SUMMARY OF PROGRAM TO SAMPLE AND TEST COMPOUNDED PREPARATIONS

During Fiscal Year 2015, TSBP submitted for testing 121 compounded preparations from 117 different pharmacies located in Texas (Class A-S and Class C-S Pharmacies). Test results revealed that 24 of the 121 samples (20%) were not within acceptable limits for potency.

(1) Non-sterile Preparations

Of the 121 tested preparations, 24 (20%) were non-sterile preparations. Potency problems were determined in five (21%) of the non-sterile preparations.

(2) Sterile Preparations

Of the 121 tested samples, 97 (80%) were sterile preparations. Potency problems were determined in 19 (20%) of the sterile preparations tested. However, no samples failed sterility, fungal or endotoxin tests.

During Fiscal Year 2015, contracted inspectors on behalf of TSBP collected and submitted for testing 69 samples of sterile compounded preparations from 68 different Class E-S Pharmacies. Test results revealed that seven of the 69 samples (10%) were not within acceptable limits for potency. However, no samples failed sterility, fungal, or endotoxin tests.

SUMMARY OF RANDOM COMPOUNDED SAMPLE TESTING PROGRAM

	FY2011	FY2012	FY2013	FY2014	FY2015	5-YR AVG
Number of Samples Tested	37	28	58	124	193	88
Number of Non-Sterile Samples	27	20	9	7	24	17
Number of Potency Failures	4	2	1	2	5	3
Number of Sterile Samples	10	8	49	117	169	71
Number of Potency Failures	4	1	2	9	24	8
Number of Sterility Failures	0	1*	0	0	0	<1
Number of Fungal Failures**	N/A	N/A	0	0	0	0
Number of Endotoxin Failures	0	0	0	0	0	0

* Nasal preparation.

** Fungal Testing began in FY 2013

3. **To coordinate and monitor throughout FY2015, the receipt, assignment, and resolution of all complaints filed with the agency and the notification of complainants. To investigate complaints throughout FY2015, according to the following priorities:**
 - A. **Continuing threats to the public welfare requiring a temporary suspension;**
 - B. **Complaints filed against licensees/registrants who have a chemical, mental, or physical impairment;**

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- C. Complaints involving the diversion of prescription drugs, through the following illegal means:**
- theft of drugs;
 - delivering prescription drugs without a prescription;
 - dispensing prescription drugs pursuant to an invalid prescription, such as forged or fraudulent prescriptions, prescriptions dispensed following an Internet consultation, prescriptions dispensed originating from a pill mill operation, and unauthorized refills; and
 - failing to keep and maintain accurate records of purchases and disposals of prescription drugs (i.e., audit shortages);
- D. Complaints against licensees/registrants who have been convicted of a felony involving offenses that involved drug laws or occurred while engaged in pharmacy practice;**
- E. Complaints against licensees/registrants who are registered sex offenders;**
- F. Complaints against licensees/registrants who have been convicted of a felony involving offenses not occurring while engaged in pharmacy practice;**
- G. Complaints involving applicants for licensure or registration (not including applications for reinstatement);**
- H. Complaints involving dispensing errors and malpractice reports;**
- I. Complaints involving violations of rules relating to patient counseling or drug regimen review;**
- J. Complaints involving health-care fraud or fraud, deceit, and misrepresentation in the practice of pharmacy, including aiding and abetting a non-licensed individual in the practice of pharmacy;**
- K. Complaints against licensees/registrants who have been convicted of a misdemeanor that involved drug laws or occurred while engaged in pharmacy practice;**
- L. Applications involving reinstatement of revoked licenses and registrations;**
- M. Complaints involving other violations of the laws and rules relating to the practice of pharmacy (e.g., Non-Compliance with terms of Disciplinary Orders; CE audit shortages; falsification of renewal applications; possession of samples or misbranded/adulterated drugs; working with an expired license or registration; and falsification of response to warning notices);**
- N. Complaints against licensees/registrants who have been convicted of a misdemeanor involving offenses not occurring while engaged in pharmacy practice; and**
- O. Complaints against licensees/registrants who have been subject to a disciplinary action by another state board of pharmacy.**

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Status: **ACCOMPLISHED**

Comment: As reflected in the chart below, TSBP received 364 more complaints (7% increase), and closed 349 more complaints (6% increase) in FY2015 than in the prior fiscal year. In addition, the average complaint resolution time decreased by six days (3% decrease), which is a significant accomplishment.

Year	Complaints Received	% Change Complaints Received Previous Year	Complaints Closed	% Change Complaints Closed Previous Year	% Complaints Closed	Resolution Time (Agency Average)	% Change Time
FY11	5,698	-<1%	5,840	+6%	102%	195 Days	+7%
FY12	5,830	+2%	5,766	-1%	99%	204 Days	+5%
FY13	5,927	+2%	6,552	+14%	111%	187 Days	-8%
FY14	5,561	-6%	5,606	-14%	101%	176 Days	-6%
FY15	5,925	+7%	5,955	+6%	101%	170 Days	-3%

The following chart indicates the number of dispensing error complaints closed during the past five years:

DATA ON DISPENSING ERROR COMPLAINTS CLOSED FY2011– FY2015

Type of Dispensing Error	FY11	FY12	FY13	FY14	FY15	5-Year Avg.
Wrong Drug/Strength or Wrong Directions for Use	288	196	104	174	189	190
Mislabeled	14	19	18	5	11	13
Dispensed Wrong Quantity	70	67	78	35	40	58
Dispensed Outdated Drug	3	6	7	1	11	5
Packaging/Delivery Error	23	21	23	16	18	20
Error + No Counseling	5	11	6	0	5	5
Total # Dispensing Error Complaints	403	320	236	231	274	293
Total # Complaints Closed	5,840	5,766	6,552	5,606	5,955	5,944
% Dispensing Error Complaints	7%	6%	4%	4%	5%	5%

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Additional complaint statistics on closed complaints for the past three fiscal years are outlined below:

DATA ON COMPLAINTS CLOSED FY2013 – FY2015

Form of Complaints	FY13	FY14	FY15	% of FY15	3-Yr. Avg.	% of 3-Yr. Avg.
Telephone	31	16	25	N/A	24	N/A
Letter	144	129	120	2%	131	2%
TSBP Complaint Form	201	117	113	2%	144	2%
HPC 800 #	22	25	29	N/A	25	N/A
Fax	76	40	37	1%	51	1%
Visit	0	1	0	N/A	<1	N/A
Agency Report	6	1	1	N/A	3	N/A
Inspection	191	89	134	2%	138	2%
Interoffice Referral	1	2	4	N/A	2	N/A
Licensure Application	2,374	2,329	2,337	40%	2,347	39%
Data Bank	10	3	7	N/A	7	N/A
Theft/Loss Report	1,044	904	979	16%	976	16%
Investigation	670	449	596	10%	572	9%
Intra-Agency Referral	12	10	15	N/A	12	N/A
Malpractice Report	4	9	4	N/A	6	N/A
Press Clip	3	3	0	N/A	2	N/A
Email *	212	127	135	2%	158	3%
Internet *	537	420	485	8%	481	8%
DPS/quarterly **	1,009	931	932	16%	957	16%
Other	5	1	2	N/A	3	N/A
TOTAL	6,552	5,606	5,955	100%	6,038	100%

* TSBP accepts complaints via email, as well as through the agency's website (Internet). TSBP makes a distinction between email complaints (where the complainant sends an electronic message/ complaint to a TSBP employee) and Internet complaints (where the complainant completes the on-line TSBP complaint form). TSBP began accepting on-line complaints in the Spring of 2001.

** Category includes Quarterly Reports and daily RAP arrest reports.

N/A – not applicable, value less than 0.01

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DATA ON COMPLAINTS CLOSED FY2013 – FY2015

Source of Complaints	FY13	FY14	FY15	% of FY15	3-Yr. Avg.	% of 3-Yr. Avg.
Consumer	663	476	526	9%	555	9%
Government Agency	1,077	966	967	16%	1003	17%
Pharmacist	48	32	50	1%	43	1%
Pharmacist (Self)	85	74	66	1%	75	1%
Pharmacist Applicant	108	109	108	2%	108	2%
Technician	10	11	5	N/A	9	N/A
Technician (Self)	148	71	57	1%	92	2%
Tech Applicant	258	189	139	2%	195	3%
Technician Trainee	1	2	1	N/A	1	N/A
Tech Trainee (Self)	4	2	3	N/A	3	N/A
Tech Trainee Applicant	754	751	817	14%	774	13%
Intern	2	2	2	N/A	2	N/A
Intern Applicant	85	79	83	1%	82	1%
TSBP	1,662	1,469	1,649	28%	1,593	26%
Doctor	61	45	65	1%	57	1%
Other Health Professional	29	17	12	N/A	19	N/A
NABP	10	3	7	N/A	7	N/A
PIC, Pharmacy Manager, or Supervisor	1,197	1,040	1,199	20%	1,145	19%
Loss Prevention Officer (Corporate)	3	1	0	N/A	1	N/A
Manufacturing Rep.	7	9	14	N/A	10	N/A
Professional Recovery Network (PRN)	21	13	19	N/A	18	N/A
Insurance Company	8	8	8	N/A	8	N/A
Attorney	11	10	4	N/A	8	N/A
Employee/Ex-Employee	44	20	12	N/A	25	N/A
Media	1	3	0	N/A	1	N/A
Drug Screening Co.	189	178	136	2%	168	3%
Other	66	26	6	N/A	33	1%
TOTAL	6,552	5,606	5,955	100%	6,038	100%

N/A – not applicable, value less than 0.01

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DATA ON CLOSED FY2013 – FY2015 COMPLAINTS

Subjects of Complaints	FY2013	FY2014	FY2015	3-Yr. Average
Licensees (RPh/Pharmacy)	2,696 (41%)	2,057 (37%)	2,313 (39%)	2,356 (39%)
Pharmacist	770	574	569	638
In-State Pharmacy	1,870	1,414	1,665	1,650
Out-of-State Pharmacy	56	69	79	68
Registrants (Intern/Tech)	1,561 (24%)	1,254 (22%)	1,338 (22%)	1,384 (23%)
Intern	41	25	24	30
Technician	1,070	915	903	963
Technician Trainee	450	314	411	392
Applicants (Lic & Reg)	2,243 (34%)	2,257 (40%)	2,264 (38%)	2,255 (37%)
Pharmacist	149	122	124	132
Pharmacy	127	126	171	141
Intern	87	91	85	88
Technician	526	419	305	417
Technician Trainee	1,354	1,499	1,579	1,477
Non-Licensees	52 (1%)	38 (1%)	40 (1%)	43 (1%)
Doctor	20	4	9	11
Manufacturer	1	1	0	1
Wholesaler	1	1	0	1
Non-Licensed Facility or Person	17	23	26	22
Insurance Company/ PBM	8	7	2	6
Out-of-State Facility	4	2	1	2
Other	1	0	2	1
TOTAL	6,552	5,606	5,955	6,038

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NATURE OF ALLEGATIONS OF COMPLAINTS CLOSED FY2013 – FY2015

Alleged Violation	FY13	FY14	FY15	3-Yr. Avg.	% of 3-Yr. Avg.
Diversion	11	6	4	7	N/A
Controlled Substances (C/S)	7	2	2	4	N/A
Dangerous Drugs (D/D)	1	1	1	1	N/A
Both (C/S & D/D)	1	0	1	1	N/A
Internet Rxs	2	3	0	2	N/A
Unauthorized Dispensing	20	19	24	21	N/A
Controlled Substances	4	3	9	5	N/A
Dangerous Drugs	10	12	14	12	N/A
Both (C/S & D/D)	6	4	1	4	N/A
Illegal Delivery	3	0	0	1	N/A
Controlled Substances	3	0	0	1	N/A
Dangerous Drugs	0	0	0	0	N/A
Both (C/S & D/D)	0	0	0	0	N/A
Illegal Possession	16	5	2	8	N/A
Controlled Substances	12	5	0	6	N/A
Dangerous Drugs	3	0	1	1	N/A
Both (C/S & D/D)	1	0	1	1	N/A
Convictions/Criminal Offenses	1,868	1,609	1,619	1,699	28%
Felony	34	40	27	34	1%
Misdemeanor	175	157	149	160	3%
DWI/PI	489	433	431	451	7%
Deferred Adjudication	369	300	298	322	5%
Offense on Application	801	679	714	731	12%
Dispensing Error	336	231	274	280	5%
Wrong Drug/Strength	204	174	189	189	3%
Mislabeled	18	5	11	11	N/A
Wrong Quantity	78	35	40	51	1%
Outdated Drug	7	1	11	6	N/A
Packaging/Delivery	23	16	18	19	N/A
Dispensing Error and No or Improper Patient Counseling	6	0	5	4	N/A
No or Improper Patient Counseling	27	26	63	39	1%
No or Improper Drug Regimen Review	35	25	28	29	N/A
Theft/Loss of C/S and/or D/D	1,018	883	954	952	16%
Non-Therapeutic Dispensing	82	61	67	70	1%
Action by Other Board	116	88	141	115	2%
Non-Compliance with Substitution Rules	27	6	10	14	N/A
Non-Compliance with Disciplinary Order	518	378	425	440	7%
Non-Compliance with PRN Contract	12	8	15	12	N/A
Interference with Doctor/Patient Relationship	46	73	101	73	1%
Confidentiality	29	7	8	15	N/A
Failed to Keep Records	6	3	5	5	N/A
Negligence	0	0	0	0	N/A
Unsafe Practice	0	0	2	1	N/A
Compounding	13	2	35	17	N/A
Unprofessional Conduct	3	1	0	1	N/A
Gross Immorality	1	3	2	2	N/A
Fraud	919	1,072	1,036	1,009	17%
Fraud, Deceit & Misrepresentation	2	2	1	2	N/A
Falsified Response to Warning Notice	0	0	0	0	N/A
Falsified Application	886	1,054	1,013	984	16%
Filled/Passed Forged Prescription	23	12	14	16	N/A
Insurance Fraud	5	2	7	5	N/A
Medicare Fraud	3	2	1	2	N/A

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Alleged Violation	FY13	FY14	FY15	3-Yr. Avg.	% of 3-Yr. Avg.
Impairment	38	33	28	33	1%
Probable Cause	22	15	16	18	N/A
Drug & Alcohol	1	4	2	2	N/A
Drug	3	2	2	2	N/A
Alcohol	8	11	8	9	N/A
Physical	0	0	0	0	N/A
Mental	4	1	0	2	N/A
Changed Prescription	20	14	25	20	N/A
Aiding and Abetting	34	25	9	23	N/A
Technician working with No/Del Registration	124	53	42	73	1%
Non-Therapeutic Prescribing (Doctor)	13	1	13	9	N/A
Excessive Purchases of Controlled Substances	1	1	1	1	N/A
Anabolic Steroids	1	0	0	N/A	N/A
Grey Market Diversion	2	0	0	1	N/A
Samples	2	0	0	1	N/A
Technician Violation	15	2	7	8	N/A
Improper Security	4	0	1	2	N/A
Problem with OTC Drug	8	0	3	4	N/A
Closed Pharmacy Improperly	1	1	0	1	N/A
Operating Pharmacy without License	1	1	2	1	N/A
Working Conditions	3	3	2	3	N/A
Delinquent License	2	3	0	2	N/A
Kickbacks	2	1	3	2	N/A
No PIC	0	0	1	N/A	N/A
Recordkeeping Error	64	38	54	52	1%
Notification Violation	0	0	0	0	N/A
No Annual/PIC/DEA Inventory	1	3	4	3	N/A
C-II Rx	2	1	0	1	N/A
Improper Rx's Issued by Doctors	0	0	0	0	N/A
Advertising	1	2	0	1	N/A
Overcharging	0	0	0	0	N/A
Billing Dispute	35	38	17	30	N/A
Customer Service	30	20	19	23	N/A
Hot Check	0	0	0	0	N/A
Accountability Audit Discrepancies (shortages/overages)	56	13	7	25	N/A
CE Audit	4	0	4	3	N/A
Default on Student Loans	0	0	1	N/A	N/A
Shipping to Other States without a License	*	5	12	6	N/A
Other Allegations	876	772	811	818	14%
Texas Pharmacy Act	9	8	8	8	N/A
Texas Dangerous Drug Act	4	1	0	2	N/A
Texas Controlled Substances Act	24	13	8	15	N/A
Food Drug & Cosmetic Act	6	5	1	4	N/A
TSBP Rule	258	147	176	194	3%
Other Laws/Rules	575	593	618	595	10%
Request Disciplinary Action	65	45	47	52	1%
Reinstatement	8	15	6	10	N/A
Modification	33	15	21	23	N/A
TOTAL	6,552	5,606	5,955	6,038	100%

* New code in FY 2014

N/A – not applicable, value less than 0.01

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ACTION TAKEN BY TSBP TO CLOSE COMPLAINTS FY2013 – FY2015

	FY2013	FY2014	FY2015	3-Yr. Avg.	% of 3-Yr. Avg.
Investigations Not Resulting in Disciplinary Action:	5,260	4,369	4,866	4,832	80%
Investigate + Dismissal (Warning) Letter	1,463	1,237	1,129	1,276	21%
Investigate + Complaint Closed with Verbal Warning	167	97	87	117	2%
Investigate + Complaint Closed with No Action Due to Insufficient Evidence to Prove Violation Occurred	1,993	1,794	2,128	1,972	33%
Investigate + Lost Jurisdiction (registration expired)	230	185	184	200	3%
Inspections	140	43	44	76	1%
Inspection + Warning Notice or Dismissal Letter	61	36	57	51	N/A
Application Withdrawn	205	234	219	219	N/A
Pharmacy Closed	***	15	42	***	***
Other *	1,001	728	976	902	15%
Investigations Resulting in Disciplinary Action:	840	751	811	801	13%
Agreed Board Order	646	544	559	583	9%
Board Order	90	105	115	103	2%
Preliminary Notice Letter + Dismissal (Warning) Ltr.	0	0	0	N/A	N/A
PNL + Application Withdrawn (with or without Informal Conference)	66	82	80	76	1%
PNL + Informal Conference + Dismissal Letter	23	6	3	11	N/A
PNL + Informal Conference + Case Dismissed	14	9	11	11	N/A
PNL + Case Dismissed or Other	1	4	17	7	N/A
PNL + Remedial Plan	***	1	26	***	***
Referrals To:	60	23	33	39	1%
Medical Board	4	3	14	7	N/A
PRN Program	1	1	0	1	N/A
Supervisor	4	0	2	2	N/A
Other Agency	51	19	17	29	N/A
No Action Because:	392	462	245	366	6%
No Violation	191	164	111	155	3%
No Jurisdiction	46	16	12	25	N/A
Insufficient Information	8	6	5	6	N/A
Other **	147	276	117	180	3%
TOTAL	6,552	5,606	5,955	6,038	100%

* Represents miscellaneous actions, such as: complainant has withdrawn complaint, multiple actions [e.g., investigation and refer to PRN, complainant will not cooperate with investigation, alleged violation has already been addressed by a previous (recent) compliance inspection or the resolution is not described by the above categories].

** Violation not substantive (e.g., report of theft/loss of small quantity of controlled substance).

*** New Code in FY2014

N/A = Not Applicable, value is below 0.01

ENFORCEMENT DIVISION

During FY2015, TSBP received 242 reports indicating that pharmacies experienced theft of 407,612 dosage units of controlled substances by 244 individuals. See chart below for additional details employee pilferage reports. The chart below is followed by two additional charts which provide a statistical comparison over the past three fiscal years, with regard to the number of number of suspects identified and the number of dosage units pilfered.

Reports Submitted to the Texas State Board of Pharmacy Regarding Thefts/Losses of Controlled Substances in Texas Pharmacies Due to Employee Pilferage FY2015 (9/1/2014 – 8/31/2015)

CLASSIFICATION OF EMPLOYEE	Class "A"	Class "C"	Hospital Floor Stock	Total	%	DU	%
Registered Pharmacist	11	3	0	14	6%	60,147	15%
Pharmacist Intern	0	0	1	1	N/A	130	N/A
Registered Pharmacy Technician	49	4	3	56	23%	236,386	58%
Pharmacy Technician Trainee	13	0	0	13	5%	57,949	14%
Physician	0	1	0	1	N/A	3	N/A
Registered Nurse	0	6	108	114	47%	6,805	2%
Certified Registered Nurse Anesthetist	0	1	2	3	1%	170	N/A
Licensed Vocational Nurse	0	0	1	1	N/A	7	N/A
Pharmacy Cashier – Pharmacy Clerk	7	0	0	7	3%	5,572	1%
Pharmacy Staff – Unidentified	4	1	0	5	2%	37,669	9%
Hospital Staff – Unidentified	0	0	13	13	5%	582	N/A
Hospital Staff – Pharmacy Staff	0	1	3	4	2%	253	N/A
Miscellaneous*	7	1	2	10	4%	1,939	N/A
TOTALS	91	18	133	242 **	100%	407,612	100%

* Examples: Non-pharmacy employees; contract workers (e.g., repairmen, cleaning crew).

** A total of 242 DEA Reports involving 244 individuals.

N/A = Not Applicable, value is below 0.01

ENFORCEMENT DIVISION

**Report Submitted to the Texas State Board of Pharmacy
Regarding Thefts/Losses of Controlled Substances in Texas Pharmacies
Due to Employee Pilferage
FY2013 - FY2015 (by Individuals)**

CLASSIFICATION OF EMPLOYEE	FY2013		FY2014		FY2015		% Change FY14-FY15
	Total # of Individuals	%	Total # of Individuals	%	Total # of Individuals	%	
Registered Pharmacist	25	8%	18	8%	14	6%	-22%
Pharmacist Intern	0	N/A	0	N/A	1	N/A	N/A
Registered Pharmacy Technician	68	21%	66	29%	56	23%	-15%
Pharmacy Technician-in-Training	13	4%	18	8%	13	5%	-28%
Physician	0	N/A	2	1%	1	N/A	-50%
Registered Nurse	51	16%	37	16%	114	47%	208%
Certified Registered Nurse Anesthetist	0	N/A	3	1%	3	1%	N/A
Licensed Vocational Nurse	17	5%	2	1%	1	N/A	-50%
Pharmacy Cashier – Pharmacy Clerk	2	<1%	6	3%	7	3%	17%
Pharmacy Staff – Unidentified	72	22%	0	N/A	5	2%	N/A
Hospital Staff – Unidentified	9	3%	2	1%	13	5%	550%
Hospital Staff – Pharmacy Staff	8	2%	0	N/A	4	2%	N/A
Miscellaneous *	61	19%	75	33%	10	4%	-87%
TOTALS	326	100%	229	100%	242	100%	6%

* Examples: Non-pharmacy employees; contract workers (e.g., repairmen, cleaning crew).

N/A = Not Applicable, value is below 0.01

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**Reports Submitted to the Texas State Board of Pharmacy
Regarding Thefts/Losses of Controlled Substances in Texas Pharmacies
Due to Employee Pilferage
FY2013 - FY2015 (by Dosage Units)**

CLASSIFICATION OF EMPLOYEE	FY2013		FY2014		FY2015		% Change FY14-FY15
	Total # of Dosage Units	%	Total # of Dosage Units	%	Total # of Dosage Units	%	
Registered Pharmacist	64,162	11%	54,597	7%	60,147	15%	10%
Pharmacist Intern	0	N/A	0	N/A	130	N/A	N/A
Registered Pharmacy Technician	352,383	60%	522,087	70%	236,386	58%	-55%
Pharmacy Technician-in-Training	38,931	7%	86,004	11%	57,949	14%	-33%
Physician	0	N/A	196	N/A	3	N/A	-98%
Registered Nurse	2,878	<1%	3,512	N/A	6,805	2%	94%
Certified Registered Nurse Anesthetist	0	N/A	727	N/A	170	N/A	-77%
Licensed Vocational Nurse	1,309	<1%	668	N/A	7	N/A	-99%
Pharmacy Cashier – Pharmacy Clerk	640	<1%	15,398	2%	5,572	1%	-64%
Pharmacy Staff – Unidentified	92,416	16%	0	N/A	37,669	9%	N/A
Hospital Staff – Unidentified	624	<1%	7	N/A	582	N/A	82%
Hospital Staff – Pharmacy Staff	72	<1%	0	N/A	253	N/A	N/A
Miscellaneous *	30,929	5%	66,508	9%	1,939	N/A	-97%
TOTALS	584,344	100%	749,704	100%	407,612	100%	-46%

****** Examples: Non-pharmacy employees; contract workers (e.g., repairmen, cleaning crew).

N/A = Not Applicable, value is below 0.01.

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4. **In cooperation with the Licensing Division and in compliance with the agency's policies and procedures, to process criminal background checks on applicants for licensure and registration throughout FY2015, including fingerprint-based criminal background checks; and to conduct criminal background checks on licensees and registrants on a quarterly basis throughout FY2015.**

Status: ACCOMPLISHED

Comments: Throughout FY2015, Division staff performed background checks, as follows:

- A. Reviewed fingerprint-based criminal background information on all individuals referred by the Licensing Division staff; these individuals included all applicants for a pharmacist license (including applicants for re-licensure and reinstatement) and all applicants for registration (i.e., technician, technician trainee and intern).
- B. Opened new complaints when TSBP received a report regarding arrest(s) on individuals who had been previously fingerprinted; during FY2015, TSBP received 592 such reports, as compared to FY2014 when TSBP received 556 such reports (7% increase).
- C. Conducted background checks on pharmacists, interns, and technicians/tech trainees; during FY2015, the agency opened 211 complaints due to the criminal history information provided on the quarterly reports, as compared to FY2014 when TSBP received 375 such reports (44% decrease).

Considering (B) and (C) together, the agency received 803 reports in FY2015, as compared to FY2014 when the agency received 931 reports (14% decrease).

5. **To provide technical assistance, maintain liaison, and coordinate joint investigations of pharmacists, interns, pharmacy technicians, and pharmacies, in line with the "lead agency approach," with federal, state, and local law enforcement agencies, including health regulatory or administrative agencies, throughout FY2015.**

Status: ACCOMPLISHED

Comment: TSBP continued to provide assistance to other agencies, when requested, throughout FY2015. TSBP Field Investigators maintained liaison with law enforcement agencies across the State, totaling over 709 contacts with 97 agencies. In-house investigative staff made hundreds of contacts with courts and law enforcement agencies both in Texas and out of state while conducting criminal background checks.

6. **To monitor compliance with all Board Orders and Agreed Board Orders, including rehabilitation Orders relating to impaired or recovering pharmacists, throughout FY2015.**

Status: ACCOMPLISHED

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Comment: Almost all of the disciplinary orders entered in FY2015 required some type of monitoring by Division staff (i.e., 543 orders or 87% of the 627 disciplinary orders that TSBP entered during FY2015 required some type of monitoring). Monitoring included the following types of actions/activities:

- A. Licensure documents – Division staff monitored the receipt of licensure documents that were required to be submitted to TSBP (e.g., wall certificate of a revoked pharmacist license) and returned these documents as required (e.g., upon reinstatement of the license or completion of the suspension period).
- B. Fines & Fees – Division staff, in conjunction with Accounting staff, ensured that Administrative Penalties (fines) and probation fees were paid.
- C. Reinstatement – Division staff monitored the status of reinstatement applicants [e.g., whether applicant completed Law Exam, Internship, and required CE within the required time period; reviewing reports from supervising pharmacist(s)].
- D. Rehabilitation Orders – These types of Orders are extremely labor-intensive, including monitoring of random drug screens and the review/evaluation of approximately 12 reports per year per Order [reports from probationer, supervising pharmacist(s), and mental health professional(s)].
- E. Other – Division staff monitored the submission of other documents (e.g., required continuing education and policy/procedures manuals; quarterly reports from a consulting/auditing pharmacist on a pharmacy's operation).

In addition to the in-house monitoring described above, Compliance Officers conducted inspections of pharmacies for the purpose of monitoring compliance with the terms of the Orders, particularly individuals/facilities who were revoked, suspended, or subject to a probated suspension (see Ongoing Objective #2).

The following charts indicate the types of Orders entered in FY2015, which required the Division to monitor the licensee's compliance with the Order, in some manner:

Total Number of Orders Entered by TSBP That Required Monitoring on Licensees (Pharmacists and Pharmacies), Interns, and Technicians (FY15)		
	FY15	% of FY15
Total Number of Orders on Licensees Requiring Monitoring	275	44%
Total Number of Orders on Technicians Requiring Monitoring	268	43%
Total Number of Orders Requiring Monitoring	543	87%
Total Number of Orders Not Requiring Monitoring	84	13%
Total Number of Orders Entered by TSBP in FY15	627	100%

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Types of TSBP Disciplinary Orders Entered on Licensees (Pharmacists and Pharmacies) and Interns That Required Monitoring (FY13-FY15)						
Sanction	FY13 Orders	FY14 Orders	FY15 Orders	% of FY15	3-Yr. Avg.	% of 3-Yr. Avg.
Revoke / Retire	27	28	18	6%	24	8%
Suspension	25	28	29	10%	27	8%
Restricted	5	5	10	3%	7	2%
Rehabilitation Orders*	28	15	12	4%	18	6%
Reinstatement	0	3	3	1%	2	1%
Fines or Probation Fees Only	102	80	105	34%	96	30%
Continuing Education, Texas Jurisprudence Exam, and/or Pharmacy Law Course (could also include fines and/or probation fees)	39	42	23	8%	35	11%
Continuous Quality Improvement Program, Self Assessments, Policies/ Procedures, and/or Quarterly Reports (could also include fines and/or probation fees)	96	68	74	24%	79	25%
Public Orders Requiring Drug Screens	2	0	1	N/A	1	N/A
Total number of orders on licensees requiring monitoring	324	269	275	90%	289	91%
Total number of orders not requiring monitoring	39	20	30	10%	30	9%
Total orders	363	289	305	100%	319	100%

* Rehabilitation Orders which are not included in the following categories: Revocation, Restriction, Reinstatement, and Suspension.

N/A = Not Applicable, value is below 0.01.

Types of TSBP Disciplinary Orders Entered on Technicians That Required Monitoring (FY13 – FY15)						
Sanction	FY13 Orders	FY14 Orders	FY15 Orders	% of FY15	3-Year Average	% of 3-Year Average
Revoke	78	74	77	24%	76	24%
Suspension	30	39	18	6%	29	9%
Restriction	0	0	0	N/A	0	N/A
Fines Only	113	110	120	37%	114	36%
Other *	43	43	53	16%	46	14%
Total number of orders on technicians requiring monitoring	264	266	268	83%	266	83%
Total number of orders on technicians not requiring monitoring	56	53	54	17%	54	17%
Total number of orders on technicians	320	319	322	100%	320	100%

* Orders not in other categories (e.g., probation with conditions; probation with conditions and fines; report required from Mental Health Professional)

N/A = Not Applicable, value is below 0.01.

Disciplinary Orders that TSBP enters on Technicians and Technician Trainees contain language that will suspend a registration for non-compliance of conditions, and ultimately revoke a registration for continued non-compliance. During FY2015 TSBP imposed 92 revocations due to non-compliance.

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During FY2015, TSBP entered 54 confidential disciplinary Orders on individuals (47 orders were entered on pharmacists, two orders on pharmacist applicants, three orders on pharmacist reinstatement applicants, and two orders on interns). These Orders were based upon various violations that the licensees allegedly committed, as reflected in the chart below:

Confidential Disciplinary Orders On Pharmacists and Interns Entered by TSBP (FY13 – FY15)						
Nature of Violation	FY13	FY14	FY15	% of FY15	3-Yr. Avg.	% of 3-Yr. Avg.
Non-Compliance with ABO	23	22	21	38%	22	37%
Non-Compliance with PRN	1	0	6	11%	2	3%
Action by Other Boards	2	0	1	2%	1	2%
Audit Shortages	0	0	0	N/A	0	N/A
Alcohol-Related Conviction	3	1	1	2%	2	3%
Theft of Prescription Drugs	7	6	3	6%	5	8%
Created Fraudulent Rx or Obtained C/S by Fraud	0	0	0	N/A	0	N/A
Convictions	2	2	3	6%	2	3%
Deferred Adjudication	2	3	4	7%	3	5%
Illegal Possession of Controlled Substances	0	0	0	N/A	0	N/A
Unauthorized Refills of Controlled Substances	1	1	0	N/A	1	2%
Probable Cause/Dependency	8	4	3	6%	5	8%
Mental Impairment	2	0	0	N/A	1	2%
Request for Modification of Previously Entered ABO	12	6	6	11%	8	13%
Request for Retirement or Revocation	11	6	5	9%	7	12%
Request for Reinstatement	0	1	1	2%	1	2%
TOTAL	74	52	54	100%	60	100%

N/A = Not Applicable, value is below 0.01.

Of the 54 confidential *pharmacist/intern* Orders entered in FY2015, there were 19 Orders resulting in an impaired/recovering pharmacist or intern being added to the number who were being monitored at the end of FY2015, as reflected in the chart below. However, 26 pharmacists were deleted from the list as a result of early termination of probation, successful completion of probation, death, revocation or retirement of license, license expired, or application withdrawn subsequent to entry of order. Accordingly, as of August 31, 2015, a total of 108 impaired/recovering pharmacists or interns were being monitored by TSBP. The number of individuals being monitored at year-end, as compared to the year-end of previous fiscal years, is depicted in the following chart:

Impaired/Recovering Pharmacists Monitored by Enforcement Division (FY11 – FY15)			
Fiscal Year	Total Orders*	Total New Orders**	Total Being Monitored***
FY11	52	32	132
FY12	59	29	135
FY13	74	31	129
FY14	52	18	115
FY15	54	19	108

* All confidential Orders entered by the Board involving an impaired pharmacist or intern (including revocations, modifications, and "second Orders" due to disciplinary action for violation of the terms of previously entered Orders).

** An Order that resulted in one individual being added to the list of impaired pharmacists to be monitored.

*** Total number of pharmacists being monitored as of the last day of the reporting period. The number represents the new Orders entered by the agency during the fiscal year, minus the number of deletions made during reporting period (e.g., as a result of death, early termination of probation through the entry of an Order, and/or successful completion of probation).

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In addition to monitoring confidential Orders for recovering pharmacists and interns, TSBP monitored seven pharmacist/interns who are subject to *public* Orders that require random drug screening, as of August 31, 2015.

During FY2015, TSBP entered 53 Orders on Technicians or Techs-in-Training (TNT) who were subject to probation periods with random drug screening. Of the 53 Orders, there were 49 Orders resulting in a Tech or TNT being added to the number who were being monitored at the end of FY2015, as reflected in the chart below. However, 57 technicians/tech-trainees were deleted from the list as a result of early termination of probation, successful completion of probation, death, revocation or retirement of the registration, registration expired, or application denied subsequent to entry of the Order. Accordingly, as of August 31, 2015, a total of 52 technicians/tech-trainees were being monitored by TSBP, as depicted in the chart below:

Technicians / Technicians-in-Training Monitored (with probation under conditions, including random drug screens) by Enforcement Division (FY2014 – FY2015)			
Fiscal Year	Total Orders	Total New Orders	Total Being Monitored
FY2014	57	53	60
FY2015	53	49	52

7. **To provide verbal and written information to Board staff and customers as needed or required throughout FY2015, to include providing technical assistance to other Divisions and responding to surveys and questionnaires.**

Status: **ACCOMPLISHED**

Comment: This objective was accomplished through the following activities:

A. COMPLIANCE INSPECTIONS

Compliance Field Staff provided information during compliance inspections. The Division conducted 2,991 inspections of pharmacies located in Texas (see Ongoing Objective #2).

B. TELEPHONE CALLS

Division staff provided technical assistance and answered questions regarding laws and rules governing the practice of pharmacy from approximately 22,985 callers who were routed through the Compliance Queue telephone line.

Number of Telephone Calls Handled via Compliance Queue (FY11 – FY15)		% Change
FY11	23,095	--
FY12	25,822	+ 12%
FY13	21,323	- 17%
FY14	22,333	+ 5%
FY15	22,985	+ 3%
Total:	115,558	(5-year average = 23,112 call)

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C. COMPLAINT FORMS

During FY2015, TSBP mailed 501 complaint forms to individuals who requested a complaint form. As indicated in the chart below, 226 complaint forms (45% of total) were mailed to individuals who had requested a form by calling the HPC toll-free complaint hotline and 275 complaint forms (55% of total) were mailed to individuals who called the TSBP voice mail complaint line. The number of requests for complaint forms during the past five fiscal years is depicted in the following chart:

Complaint Forms Mailed to Potential Complainants (FY11 – FY15)						
Fiscal Year	Requests for Complaint Forms via HPC 800#	% Change	Requests for Complaint Forms via TSBP Voice Mail	% Change	Total Requests	% Change
FY11	260	--	283	--	543	--
FY12	213	-18%	289	2%	502	-8%
FY13	284	33%	207	-28%	491	-2%
FY14	200	-30%	324	57%	524	+7%
FY15	226	13%	275	-15%	501	-4%

D. CUSTOMER SERVICE SURVEYS

During FY2015, Division staff mailed 200 customer service surveys to TSBP customers.

Number of Customer Surveys Mailed (FY11 – FY15)		% Change
FY11	835	--
FY12	654	-22%
FY13	456	-30%
FY14	236	-48%
FY15	200	-15%

E. PRESENTATIONS (PUBLIC SPEAKING ENGAGEMENTS) – regarding Pharmacy Laws/Rules (unless otherwise noted)

DATE	PRESENTATIONS Name of Association/Presentation and Location of Meeting	STAFF PERSON	ATTENDANCE (Approx.)
10/08/14	North Houston Area Pharmacy Association – Houston	Iona Grant	75
11/01/14	Texas Southern University College of Pharmacy Fall Preceptor's Conference – Houston	Iona Grant	100
01/23/15	University of Houston - Drugs, Alcohol, and You Joint presentation with PRN	Janelle Dooley	125
02/26/15	Presentation to Texas Association of Independent Pharmacies Organization (TAIPO) – Houston	Iona Grant/Paul Holder	25
04/01/15	Texas Southern University College of Pharmacy Class of 2018 - Pharmacy Ethics – Houston	Iona Grant	90
04/11/15	Texas Southern University College of Pharmacy Spring Preceptor's Conference - Houston	Iona Grant	90
05/07/15	St. Luke's at the Vintage Hospital – Texas Law	Iona Grant	15
07/23/15	Walgreens Interns & District Managers – Houston	Iona Grant	15
07/23/15	North Texas Healthcare Fraud Working Group – Dallas	Adrienne Bauer/Field Investigator RW	70
07/23/15	Walgreens Pharmacy Interns–Drug Diversion – Houston	Field Investigator SC	16
		Total	621

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F. WRITTEN INFORMATION

During FY2015, Division staff responded 380 inquiries through Rx Law (a mechanism to provide written responses by e-mail to on-line inquiries received via the TSBP website).

G. ASSISTANCE TO BOARD MEMBERS AND EXECUTIVE DIRECTOR

- (1) Division Director assisted in the development of the proposed Goals and Objectives for FY2016, which were presented to/approved by the Board at its meeting held in August 2015;
- (2) At all Board meetings held in FY2015, Division Staff made presentations regarding complaint data (e.g., number of open complaints and number of dismissed complaints) and data regarding peer assistance performance measures;
- (3) Division Director assisted in the review/edit of the drafts of minutes of four Board meetings;
- (4) Division Director assisted in the review of drafted rules prior to presentation of the proposals to the Board Members; and
- (5) In the absence of or at the request of the Executive Director, Division Director responded to inquiries from the media.

H. TECHNICAL ASSISTANCE TO BOARD STAFF

- (1) Legal Division
 - (a) Disciplinary Proceedings – Division staff assisted Legal staff with pharmacy practice-related questions relating to disciplinary cases; in addition, Division Director assisted with reviewing a brief on one disciplinary case; Division staff also prepared case summary notes for all cases referred to the Legal Division;
 - (b) Informal Conferences involving pharmacists, pharmacies, and pharmacy technicians – Division staff attended numerous conferences and when applicable, conducted interviews with licensees and registrants to explain the terms and conditions of proposed disciplinary orders;
 - (c) Orientation of New Employees – Division staff conducted orientation sessions with four new Legal Division employees (two attorneys and two legal assistants).
- (2) Division of Professional Services
 - (a) TSBP *Newsletter* – Division staff assisted with each issue of the Newsletter (e.g., wrote articles such as Compliance Reminders and Complaint Corner and provided applicable information regarding disciplinary orders entered by the Board);

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- (b) Open Records Requests – Division Director provided assistance when needed; and
 - (c) Continuing Education (CE) Audit Procedures – Division Director conducted an orientation session with Professional Services Division staff regarding procedures relating to CE Audit Shortages.
- (3) Administrative Services and Licensing Division
- (a) Division Director assisted with the preparation of the agency's Internal Risk Assessment Report;
 - (b) Division Director assisted with updating the agency's Employee Handbook with regard to specific sections (e.g., dress code; tobacco use; abuse of leave; and vehicle guidelines);
 - (c) Orientation of New Employee – Division staff conducted orientation sessions with Jared Jenkins, Licensing Specialist;
 - (d) Division staff continued to answer thousands of telephone calls received via the Compliance Queue line regarding the license application process, particularly calls technician applicants; and
 - (e) Division staff assisted in the review of applications for a Class B or D Pharmacy license, as indicated in the chart below:

Activity	FY2013	FY2014	FY2015	3-Year Average
New Class D (Clinic) Pharmacy Applications	32	27	20	26
New Class B (Nuclear) Pharmacy Applications	0	1	2	1
Petitions for Expanded Formularies for Class D (Clinic) Pharmacies	62	64	72	66
Petitions for Alternative Visitation Schedules for Class D (Clinic) Pharmacies	11	41	15	22
Notifications of Temporary Locations for Class D (Clinic) Pharmacies	4	10	12	9
Standard Class D Formularies Reviewed	28	25	13	22

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I. TECHNICAL ASSISTANCE TO OTHER AGENCIES AND ORGANIZATIONS

- (1) In January 2015, analysts from the General Accounting Office (federal agency) interviewed the TSBP Executive Director and Division Directors regarding issues relating to the federal and state regulation of the practice of pharmacy, including the licensing of pharmacists and pharmacies;
- (2) Division staff worked with the Consumer Product Safety Commission to check for non-compliance issues during TSBP inspections;
- (3) Division staff submitted required annual report to Office of Attorney General regarding disciplinary actions taken by TSBP with respect to confidentiality violations (required by HB 300);
- (4) Division staff accompanied Federal Food and Drug Administration investigators as they conducted inspections of several compounding pharmacies in Texas; and
- (5) Division staff provided assistance to numerous Boards of Pharmacy located in other states; regulatory agencies in this state (e.g., AGMFU); federal prosecutors (e.g., AUSAs in Dallas and Houston); and federal agencies (e.g., DEA, FDA, and OIG).

In addition, see Ongoing Objective #4.

8. In cooperation with the Executive Director and other Divisions, to provide internship experience to student pharmacist-interns upon requests from the Texas Colleges of Pharmacy, throughout FY2015.

Status: ACCOMPLISHED

Comment: During FY2015, TSBP offered internship experience to seven students from five different Colleges/Schools of Pharmacy, as listed below:

- August 18, 2014 (FY2014) – September 26, 2014 (FY 2015)
 - Damian Chavarria – The University of Texas at Austin
- September 29, 2014 – November 7, 2014
 - Zachary Korstian – The University of Texas at Austin
- November 10, 2014 – December 19, 2014
 - Manpreet Dhaliwal – Texas Southern University
- January 5, 2015 – February 13, 2015
 - Vi Vu – University of Houston
- February 16, 2015 – March 27, 2015
 - Javier Saenz – Texas A&M University
- May 25, 2015 – July 3, 2015
 - Joseph Dorsey – Texas Tech University
- July 6, 2015 – August 14, 2015
 - Jessica Gumulya – The University of Texas at Austin

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9. **To serve as liaison for the Board to the Professional Recovery Network (PRN) of the Texas Pharmacy Association and to assist in monitoring non-financial contractual obligations of PRN throughout FY2015.**

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

- A. Board Member Ben Fry, R.Ph., served as an ex-officio member of the TX-PRN State Committee throughout FY2015;
- B. Throughout FY2015, Division staff reviewed quarterly activity reports submitted to TSBP by TX-PRN Director; the TX-PRN Program submitted year-to-date financial reports to TSBP at each one of its Board meetings in FY2015;
- C. TSBP requested an independent audit be conducted on the data provided to TSBP (financial data and performance measure data). This audit was completed on October 13, 2014, and the results of the audit were reported to the Board at its meeting held on November 4, 2014;
- D. Division staff attended two TX-PRN State Advisory Committee meetings held on October 25, 2014, and June 24, 2015; and
- E. Throughout FY2015, Enforcement Program Specialist Janelle Dooley worked closely with TX-PRN Program Director to ensure the accuracy of data for peer assistance performance measures.

10. **To assist the Executive Director in developing and implementing the objectives of the Health Professions Council pertinent to Division activities throughout FY2015.**

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

- A. HPC Annual Report – Division Director submitted agency Enforcement performance data to be incorporated in the HPC Annual Report.
- B. HPC Toll-Free Complaint Hotline – HPC member agencies are billed for hotline calls received by the respective agency. When complainants call the hotline, they may leave a message advising the agency of the complainant's name, address, and telephone number, or they may "zero out" and speak to an HPC staff member for clarification of procedures. During FY2015, TSBP mailed 226 complaint forms to individuals requesting forms on the HPC complaint hotline.

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- 11. To manage employees under the supervision of the Division throughout FY2015, in compliance with all applicable state and federal personnel statutes, including the following: to hire qualified applicants for new or vacant positions; to update or develop job descriptions in compliance with the State Classification System; to participate in State Classification audits of positions; to conduct periodic reviews and annual evaluations of Division employees; and to promote self-development through such activities as on-the-job training, cross-training, and attendance at professional seminars.**

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

A. Staff Development – The following activities are applicable:

- Division staff attended quarterly General All-Staff Meetings which were held on the following dates:
 - December 11, 2014 – which included EEO training (Ethics and Sexual Harassment) by trainers from Texas Department of Insurance
 - February 25, 2015 – which included training presented by Alliance Work Partners (Diversity and Respect in the Workplace)
 - May 27, 2015 – which included training presented by Alliance Work Partners (Receiving Feedback)
 - August 18, 2015 – which included training presented by Alliance Work Partners (Time Management).
- In conjunction with quarterly staff meetings, Division Director and Assistant Director of Enforcement conducted reviews of newly adopted rules with Division staff who answer questions regarding the laws/rules governing the practice of pharmacy (e.g., Compliance Field Staff and Division employees who are tasked with answering calls on the Compliance Queue Line). These Rule Reviews were also open to all technicians who work for TSBP as a means to obtain their required Continuing Education hours in pharmacy law.
- Division Team Leaders attended and participated in four team leader meetings; in addition, on November 10, 2014, Division team leaders joined team leaders from other Divisions to participate in a training session regarding updated sections of TSBP Employee Handbook.
- Division Director conducted six Division meetings to update Division staff regarding agency activities.
- Various Division staff attended professional development seminars (such as Webinars and the annual meetings of the Texas Pharmacy Association and the Texas Society of Health System Pharmacists).

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- B. Performance Evaluations – Formal performance reviews were conducted for all Division employees in FY2015, with the exception of new hires.
- C. Other Activities – The Division began FY2015 with two vacancies and ended FY2015 with one vacancy, excluding the vacant (lapsed) Field Investigator. position. In the interim, the Division experienced 12 staffing changes, as a result of the following:

- 1 loss due to retirement (Sharon Gaskill);
- 4 losses due to resignations (Cruthers, Holder, Sims, Ickes);
- 1 transfer within the Division (Darrell Montgomery); and
- 1 internal promotion within the Division (Christina Bishop).

These staffing changes are described below and resulted in six new hires:

Joann Riley; James D. (Jim) Clark, R.Ph.; Jennifer Trook; Misty Plant; Synthia Hill, R.Ph. Pharm.D., and Kim Miles.

- | | | |
|----------------|-----|--|
| September 2014 | (1) | Darrell Montgomery transferred from a Compliance Inspector position to an Enforcement Specialist position (to fill the position vacated by Amy Burt following her transfer to the Legal Division in April 2014). |
| October 2014 | (2) | Joann Riley was hired as the Compliance Inspector of the Central Texas Region to fill the position that was vacated (in September 2014) by Darrell Montgomery. |
| | (3) | Sharon Gaskill, R.Ph., Compliance Officer for the San Antonio region, retired. |
| December 2014 | (4) | Lindsay Cruthers, Enforcement Specialist, resigned. |
| January 2015 | (5) | Christina Bishop was promoted to fill the position that was vacated (in December 2014) by Lindsay Cruthers. |
| | (6) | Jim Clark, R.Ph., was hired as the Compliance Officer for the San Antonio Region to fill the position that was vacated (in October 2014) by Sharon Gaskill, R.Ph. |
| | (7) | Jennifer Trook was hired as the Compliance Inspector for the West Texas Region to fill the position that was vacated (in August 2014) by James Barrientez. |
| | (8) | Paul Holder, R.Ph., Pharm.D., Assistant Director of Enforcement, resigned. |

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|---------------|------|---|
| February 2015 | (9) | Ben Sims resigned as the Compliance Inspector for the East Texas Region. |
| May 2015 | (10) | Misty Plant was hired to fill the Enforcement Specialist position that was vacated (in January 2015) following the promotion of Christina Bishop. |
| June 2015 | (11) | Synthia Hill, R.Ph., Pharm.D., Compliance Program Officer, was hired to fill a vacant pharmacist position following Dr. Holder's resignation (in January 2015). |
| | (12) | Kim Miles was hired as a Compliance Inspector for the East Texas Region to fill the position that was vacated (in February 2015) by Ben Sims. |

Division Director also developed two new job descriptions (Compliance Program Officer and Field Investigator for DFW area). In addition, Division Director revised/updated five job descriptions for the following positions: Director of Enforcement; Compliance Officer for San Antonio Region; Compliance Inspector for East Texas Region; Enforcement Specialist (monitoring impaired/recovering pharmacists); and Administrative Assistant [Enforcement Technician (data entry specialist).]

- 12. To maintain Division records throughout FY2015, including the following: to image records and destroy records in accordance with the agency's record retention plan; to review the Division's *Policies and Procedures Manual* on an on-going basis and update as needed, and to submit any substantive revisions to the Executive Director for approval.**

Status: ACCOMPLISHED

Comment: The following activities relate to this objective:

A. Records Management (Record Retention)

During FY2015, Division staff destroyed 34.333 cubic feet of records, in accordance with the TSBP record retention schedule. The quantity of Division records destroyed in the past five years is depicted in the chart below:

Fiscal Year (FY11 – FY15)	# of Cubic Feet of Records Destroyed	% Change
FY2011	183.38	--
FY2012	137.82	-25%
FY2013	61.69	-55%
FY2014	54	-17%
FY2015	34.33	-36%

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B. Records Management (Imaging)

Division staff continued to implement the program to convert paper complaint files to imaged records. Approximately 6,267 complaint files were scanned during FY2015, which represented a 5% decrease from FY2014, when approximately 6,601 complaint files were imaged.

C. Enforcement Division Policies/Procedures

Division Director and Chief of Compliance updated all policies and procedures relating to inspections of pharmacies.

- 13. To recommend changes to the Texas Pharmacy Act and rules and to recommend policies and procedures that will enhance the agency's ability to protect the public health, safety, and welfare, or will improve the efficiency and effectiveness of the agency's operations, and forward the recommendations to the Executive Director throughout FY2015.**

Status: ACCOMPLISHED

Comment: All Division staff made recommendations to improve the efficiency and effectiveness of agency operations. Significant recommendations included the following:

A Recommendations regarding Texas Pharmacy Act and TSBP Rules

- (1) Division Director recommended that the Texas Pharmacy Act be amended to require a pharmacy who changes location to notify the agency in advance of the move (rather within 10 days before or after the move), or preferably to require the pharmacy to obtain a new pharmacy license. The Board concurred that the pharmacy must notify the agency 30 days in advance of the move. This amendment was made to the Act during the 84th Texas Legislature.
- (2) Division Director recommended that TSBP rules be amended to prohibit a pharmacist from serving as the pharmacist-in-charge (PIC) of two or more pharmacies, if the PIC was required to be a full-time pharmacist at these pharmacies. The Board concurred with this suggestion and revisions were proposed and subsequently adopted.
- (3) Division Director recommended that TSBP Rule 295.15 relating to immunizations be revised to include minimum standards for hand-washing procedures. The Board concurred with this suggestion and revisions were proposed and subsequently adopted.
- (4) Division Staff made several recommendations to revise TSBP Rule §291.33 regarding the compounding of sterile preparations; recommendations included the following: more specific requirements related to media fill testing; new requirements for bubble-point testing; new requirements for sterile gloves; and an expanded section to clarify requirements relating to Primary Engineering Devices.

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B Recommendations regarding Agency Operations:

- (1) Division Staff revised the Class E-S Inspection Form to incorporate new requirements resulting from amendments to TSBP Rule 291.133;
- (2) Division Staff revised the inspection form that is used to inspect Class A-S and Class C-S pharmacies (which reduced the report form from 12 pages to two pages);
- (3) Division Staff made numerous recommendations to internal forms and procedures to improve day-to-day operations, including the following:
 - Enforcement Officer Linda Yazdanshenas recommended that TSBP complaint forms be revised to include the complainant's e-mail address;
 - Division Staff recommended and implemented changes to the Pre-Inspection Check List form; and
 - Division Director revised the Notice of Inspection form.

In addition, Division staff made a conscientious effort to recycle complaint file folders and divider tabs from purged complaint files, which resulted in a substantive cost savings to the agency.

- 14. To prepare a report on the accomplishment of Division objectives, for incorporation into the agency's *FY2014 Annual Report* and submit to the Executive Director by the due date.**

Status: **ACCOMPLISHED**

Comment: Although the Division's first draft of the *FY2014 Annual Report* was not submitted to the Executive Director by the due date that was initially scheduled, the report was submitted by the approved extension to the due date. Drafts of all Divisions were compiled into one Annual Report and subsequently presented to and approved by the Board at its meeting in August 2015.

FY2015 SIGNIFICANT ACCOMPLISHMENTS

1. Division staff accomplished 14 of the Division's 14 objectives for FY2015.
2. During FY2015, the Division continued to handle a large number of ongoing disciplinary issues for pharmacy technicians. The Division initiated 329 disciplinary actions by mailing a Preliminary Notice Letter and entered 322 orders against pharmacy technicians and pharmacy technician trainees during the fiscal year. During the fiscal year, 88 applicants for registration as a pharmacy technician or pharmacy technician trainee were subject to mandatory withdrawal, indicating that although the Division initiated disciplinary action, the applicant did not complete the process.
3. Approximately 92% of the disciplinary cases against pharmacists and pharmacies and 100% of the cases against pharmacy technicians were settled through the entry of Agreed Board Orders or default Board Orders, and 7% were settled with the entry of Remedial Plans which resulted in significant efficiencies, both in terms of complaint resolution time and agency expenditures.
4. The Division resolved six respondent cases that were filed for administrative hearings at the State Office of Administrative Hearings (SOAH) prior to proceeding to hearing. The cases were resolved through alternative means, such as Agreed Board Orders (ABO) through negotiations with the licensees or their attorneys and through the SOAH Mediation process. One respondent case was resolved through mediation. These resolutions saved the agency considerable resources both in time and expenditures.
5. Administrative hearings were conducted against three respondents at SOAH. These hearings involved preparing motions for summary judgment and numerous discovery documents (including interrogatories and requests for admission), preparing for trial and for witness examination, depositions, and conducting the hearings. Following the hearings, exceptions were filed and drafts of proposed orders were prepared. The extensive preparation for the hearings and the presentations to the Board required a considerable amount of time, and the Division was able to maintain a fairly consistent number of cases resolved.
6. In order to effectively deal with continuing threat to the public health and safety, the Legal Division continued to evaluate cases, and if such a threat could be established, a panel was convened to hear the cases for potential temporary suspension. Petitions for Temporary Suspension were filed, and Temporary Suspension Hearings were conducted before a Board panel against nine respondents in FY2015. All respondents were temporarily suspended, and no petitions were denied. In addition, one Request for Show Cause Order was filed and a hearing held that granted the request.
7. Division staff enhanced the legal analysis of nontherapeutic dispensing cases from Enforcement and continued to develop an in-depth and extensive method of preparing and analyzing the cases via Excel and detailed reports for submission for expert pharmacist opinion regarding pill mill activities.

LEGAL DIVISION

8. Statistics for disciplinary actions entered in FY2015 are as follows:

PHARMACISTS/PHARMACIES

FISCAL YEAR	NUMBER OF BOARD ORDERS (BOs)	NUMBER OF DEFAULT ORDERS ENTERED BY BOARD	NUMBER OF AGREED Board of Pharmacy ORDERS (ABOs)	NUMBER OF DISCIPLINARY ORDERS (BOs & ABOs)	% CHANGE IN DISCIPLINARY ORDERS	% ABOs OR DEFAULT OF TOTAL ORDERS
FY11	15	2	325	342	<1%	96%
FY12	5	3	378	386	13%	99%
FY13	2	3	358	363	-6%	99%
FY14	4	9	276	289	-21%	99%
FY15	7	3	295	305	6%	97%
TOTAL	33	20	1,632	1,685	-8%	98%

PHARMACY TECHNICIANS/PHARMACY TECHNICIAN TRAINEES

FISCAL YEAR	NUMBER OF BOARD ORDERS (BOs)	NUMBER OF DEFAULT BOARD ORDERS (BOs)	NUMBER OF AGREED BOARD ORDERS (ABOs)	NUMBER OF DISCIPLINARY ORDERS (BOs & ABOs)	% INCREASE IN DISCIPLINARY ORDERS	% ABOs OR DEFAULT OF TOTAL ORDERS
FY11	2	78	284	364	-22%	99%
FY12	1	70	335	406	11%	100%
FY13	0	70	250	320	-7%	100%
FY14	1	73	245	319	<1%	100%
FY15	0	70	252	322	1%	100%
TOTAL	4	361	1,366	1,731	-17%	100%

9. Division staff significantly increased transparency of public information by making accessible the information about disciplinary actions taken against licensees and registrants and posting the scanned version of prior actions on the agency's website.

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FY2015 SIGNIFICANT DISAPPOINTMENTS/CONSTRAINTS

1. The cases against pharmacy technicians and pharmacy technician trainees are more complicated and time-consuming as the cases do not merely involve adjudicated criminal offenses, but also involve investigations by TSBP of thefts at pharmacies, which leads to a longer resolution time in the Legal Division due to the longer amount of time to draft and prepare the cases.
2. The Division experienced significant turnover during the fiscal year with three employees terminating employment with the Division (including the key positions of two staff attorneys) and four new employees starting with the Division. This situation resulted in significant expenditure of time and effort in hiring and training of new employees.

LEGAL DIVISION
FY2015 ANNUAL REPORT

GOAL

To prosecute violations of the laws and rules related to the practice of pharmacy. To provide adjudicative information to agency customers. To provide legal services and guidance to the Board and the agency staff relating to the regulation of the practice of pharmacy and the administration of the agency.

Objective (New)

To assist the Executive Director, in cooperation with other Divisions, preparing testimony, attending public hearings, providing any fiscal or technical information, reviewing all legislation that has an impact on the practice of pharmacy and agency operations, and monitoring the process of this legislation, throughout the 84th Texas Legislative Session.

Status: **ACCOMPLISHED**

Comment: This objective was accomplished through the following activities.

General Counsel reviewed and analyzed proposed legislation that had a potential impact on pharmacy practice and on agency operations. At the request of and in the absence of the Executive Director, General Counsel attended legislative hearings regarding agency budget and operation and any pharmacy practice-related issues. General Counsel attended numerous meetings with legislative staff to provide information regarding proposed legislation.

Objectives (Ongoing)

- 1. To coordinate and monitor throughout FY2015 the receipt, assignment, and resolution of all cases accepted by the Division.**

Status: **ACCOMPLISHED**

Comment: This objective was accomplished through the following activities:

- A. Division staff met approximately once month to discuss the status of pending cases, assess workload allocation, and determine the most effective strategies to complete cases in a timely and efficient manner. The Legal Assistant Team Manager also met with the Legal Assistants on a monthly basis to address common issues and monitor progress.
- B. General Counsel and other senior Division staff conducted regular monthly meetings to review the status of cases and the statistical data on the completion of cases to ensure efficient processing of disciplinary cases. As a result, the Division often reallocated resources to most effectively process the cases in a timely manner.

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- C. Division staff maintained a database system to track the current status of all cases, thereby increasing efficiency in monitoring cases. In addition, Division staff continued to maintain electronic logs to track dates for mailing of Preliminary Notice Letters, scheduling of Informal Conferences, mailing and receiving of Agreed Board Orders, and other due dates previously recorded on paper to enhance accessibility by all Division staff and improve more efficient and immediate information sharing.
- D. TSBP entered a total of 29 Remedial Plans in FY2015, as reflected in the chart below.

Remedial Plans	Pharmacists	Pharmacies	Total
FY14	1	0	1
FY15	28	1	29
TOTAL	29	1	30

- E. TSBP entered a total of 627 disciplinary orders in FY2015, as reflected in the charts below.

Type of Order	Summary Suspensions	SOAH Board Orders	Default Board Orders	ABOs Entered by ED	ABOs Public	ABOs Confidential	Total Number of Orders
Pharmacists and Pharmacies	15	7	3	58	167	55	305
Pharmacy Technicians	0	0	70	167	85	0	322
Total	15	7	73	225	252	55	627

The Division staff prepared for the presentation of Agreed Board Orders, Board Orders, and Remedial Plans for approval at the four regularly scheduled Board meetings throughout the year. The presentation of proposed disciplinary actions to the Board at Board meetings involves creating an electronic summary chart along with the orders linked to the chart.

Information regarding the disciplinary cases entered in FY2015 is set forth in the following charts:

LEGAL DIVISION

SANCTIONS IMPOSED BY THE ENTRY OF DISCIPLINARY ORDERS ON PHARMACISTS, PHARMACIES, INTERNS, AND APPLICANTS FOR LICENSURE AND INTERN REGISTRATIONS (FY2015)

			Pharmacist	Pharmacy	Total
Licenses Removed	18	(6%)			
Revoke			11	4	15
Retire			3	0	3
Suspensions	88	(29%)			
Suspension			8	7	15
Suspension w/Conditions			14	0	14
Suspension w/ Fine			1	0	1
Suspension/Fine/Conditions			0	0	0
Probation			2	1	3
Probation w/Conditions			14	8	22
Probation/Fine			4	6	10
Probation/Fine/Conditions			8	15	23
Restricted	8	(3%)	6	2	8
Other	141	(46%)			
Fine			44	17	61
Fine with Conditions			1	24	25
Fine and Reprimand			4	0	4
Fine, Reprimand with Conditions			3	18	21
Reprimand with Conditions			6	9	15
Reprimand			10	5	15
Require MHP Evaluation			0	0	0
Issuance License/Regist.	39	(13%)			
Grant with Suspension			0	0	0
Grant with Restrictions			0	0	0
Grant with Probation			2	2	4
Grant with Probation and Fine			2	3	5
Grant with Probation/Fine/Conditions			0	0	0
Grant with Probation and Conditions			3	0	3
Grant with Reprimand and Fine			0	1	1
Grant with Fine			6	12	18
Grant with Fine/Conditions			0	1	1
Grant with Reprimand			7	0	7
Reinstatements	3	(<1%)			
Grant			0	0	0
Grant with Probation/Conditions			3	0	3
Deny			0	0	0
Modifications	8	(3%)			
Grant			8	0	8
Deny			0	0	0
TOTAL FY2015:	305	(100%)	170	135	305

FY2015 Orders Entered Against Pharmacist Licenses	170	56%
FY2015 Orders Entered Against Pharmacy Licenses	135	44%
FY2015 Total Disciplinary Orders on Pharmacist/Pharmacy	305	100%

LEGAL DIVISION

DISCIPLINARY ORDERS ON PHARMACISTS, INTERNS, AND APPLICANTS FOR LICENSURE AND INTERN REGISTRATIONS (FY2015) NATURE OF VIOLATIONS*

	RPh	Phcy	Total	Total %
Diversions	20	8	28	9%
Illegal Delivery	0	0	0	
Illegal Possession of Rx Drugs	0	0	0	
Unauthorized Dispensing	4	1	5	
Theft	4	1	5	
Obtained C/S by Fraud	2	1	3	
No Valid Dr-Pt Relationship	10	5	15	
Convictions/Defer Adj	18	2	20	6%
Felony	3	0	3	
Misdemeanor	2	1	3	
Deferred Adjudication, Felony	5	1	6	
Deferred Adjudication, Misdemeanor	7	0	7	
Alcohol-Related	1	0	1	
Audit Discrepancies	3	9	12	4%
Drug	3	9	12	
Continuing Education	0	0	0	
Practice Deficiencies	38	66	104	34%
Dispensing Errors	14	29	43	
Dispensing Errors & No Counsel and/or No Drug Regimen Review	6	17	23	
No Counsel and/or DRR	15	15	30	
Compounding Sterile without Class S	1	1	2	
Shipping Rx to Other States w/o License	2	4	6	
Unprofessional Conduct	66	37	103	34%
Aiding and Abetting	2	1	3	
Allow Tech to Work without an Active Registration	12	11	23	
Falsified Application for Licensure	7	17	24	
Sterile Compounding w/o Proper Training	0	0	0	
Impairment	3	0	3	
Action by TSBP or Other Boards	12	7	19	
Non-Compliance with Previously Entered Order	23	0	23	
Non-Compliance with PRN Program	7	0	7	
Violation of Board Rules	0	1	1	
Other				
Modification	9	0	9	3%
Reinstatement	1	0	1	<1%
Request for Revocation/Retirement/Restrict	7	2	9	3%
Temporary Suspension Orders	6	9	15	5%
Other	2	2	4	1%
TOTAL FY2015:	170	135	305	100%

* Board Orders/Agreed Board Orders may contain more than one type of violation. However, for purposes of this list, only one type of violation has been identified. The identified violation was selected as the primary violation.

LEGAL DIVISION

SANCTIONS IMPOSED BY THE ENTRY OF DISCIPLINARY ORDERS ON PHARMACY TECHNICIANS, TECHNICIAN TRAINEES, AND APPLICANTS FOR TECHNICIAN/TRAINEE REGISTRATIONS (FY2015)

		Total	Percent
Registration Removed		77	(24%)
Revoke	76		
Retire	1		
Suspensions		52	(16%)
Suspension	3		
Suspension, followed by Probation	3		
Suspension w/Conditions	5		
Suspension w/Conditions, followed by Probation	8		
Suspension/Fine	0		
Suspension/Fine w/Conditions, followed by Probation	0		
Probation	2		
Probation with Conditions	27		
Probation/Fine	2		
Probation/Fine with Conditions	2		
Restricted	0	0	(N/A)
Other		64	(20%)
Fine	44		
Fine with Conditions	1		
Fine/Reprimand	2		
Fine/Reprimand with Conditions	0		
Reprimand	16		
Reprimand with Conditions	0		
Show Cause	1		
Issuance Registration		127	(40%)
Grant with Suspension	1		
Grant with Suspension/Fine	0		
Grant with Probation	16		
Grant with Probation/Conditions	18		
Grant with Probation/Conditions and Fine	2		
Grant with Probation and Fine	3		
Grant with Fine	47		
Grant with Fine and Reprimand	2		
Grant with Reprimand	38		
Deny	0		
Reinstatements		3	(1%)
Grant with Suspension, followed by Prob/Cond	0		
Grant with Probation/Conditions	1		
Grant with w/Conditions and Reprimand	0		
Grant with Fine	2		
Modifications	0	0	(N/A)
TOTAL FY2015:		323 (100%)	

LEGAL DIVISION

DISCIPLINARY ORDERS ON PHARMACY TECHNICIANS, TECHNICIAN TRAINEES, AND APPLICANTS FOR TECHNICIAN/TRAINEE REGISTRATIONS (FY2015) NATURE OF VIOLATIONS

		Total	Percent
Diversion		13	(4%)
Theft	13		
Forged Rx	0		
Illegal Delivery	0		
Convictions/Deferred Adjudications		165	(51%)
Felony	11		
with Falsified Application	2		
Misdemeanor	25		
with Falsified Application	0		
Deferred Adjudication/Felony	44		
with Falsified Application	4		
Deferred Adjudication/Misdemeanor	67		
with Falsified Application	7		
Alcohol-Related (e.g., DWI)	4		
with Falsified Application	1		
Impairment		13	(4%)
Drug or Alcohol Dependency	10		
with Falsified Application	1		
Probable Cause	2		
Falsified Applications *		51	(16%)
Other Violations		37	(11%)
Gross Immorality	1		
Non-Compliance w/Previously Entered Order	20		
Performed Tech Duties w/Delinquent Registration	4		
Performed Pharmacist Duties	1		
Performed Tech Duties without Registration	8		
Action by TSBP or Other Board	0		
Negligence	2		
CE Shortage	1		
Request for Revocation/Retirement		43	(13%)
Reinstatement		1	(<1%)
Modify		0	(N/A)
TOTAL FY2015:		323	(100%)

* Does not include the 14 falsified applications described above.

LEGAL DIVISION

2. To review all cases referred to the Division for potential disciplinary action; and if sufficient evidence exists to warrant action, to institute disciplinary proceedings against licensees within an average of 150 days of the date of the receipt of the case, in accordance with priorities established for the Enforcement Division, throughout FY2015.

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

- A. During FY2015, Division staff reviewed numerous cases prior to referral for disciplinary action to determine whether sufficient evidence existed to warrant prosecution.
- B. During FY2015, Division staff received 640 cases, which was a decrease from the 664 cases received in FY2014, and resolved 674 cases, which was 34 cases more than received during FY2015.
- C. Division staff mailed 660 Preliminary Notice Letters in FY2015, in accordance with the priorities established for the Division, which was significantly more than in FY2014, when the Division mailed 600 PNLs. Of these PNLs, 331 PNLs were mailed to pharmacists and pharmacies, and 329 PNLs were mailed to pharmacy technicians and pharmacy technician trainees.
- D. The number of days to mail PNLs after the case review date in FY2015 was 56 days which is a significant decrease from the FY2014 number of 66 days due to increased efficiencies achieved by scheduling the maximum number of cases per informal conference day. The number of days for PNLs to be sent to pharmacists and pharmacies averaged 76 days which is a significant decrease from 86 days in FY2014. PNLs to pharmacy technicians were sent in an average of 35 days from receipt of the case, which is a significant decrease from 45 days in FY2014.
- E. Total resolution time for cases in FY2015 was 149 days from receipt of the case in the Legal Division to the disposition of the case in the Legal Division, which is a slight increase from last year's number of 145 days. Case resolution for pharmacists and pharmacies averaged 182 days and for pharmacy technicians averaged 115 days.
- F. The Division filed petitions to conduct a Temporary Suspension hearing for four cases involving nine pharmacists and pharmacies in FY2015. (Two pharmacies were involved in two hearings.) Eleven temporary suspension petitions were granted, and none were denied. Following the temporary suspensions, the cases were referred for hearing at the State Office of Administrative Hearing for disciplinary actions against the licenses. In addition, Division staff filed one Request for Show Cause Order, and after a hearing, an order was entered that granted the request.

LEGAL DIVISION

3. To plan and conduct a minimum of 24 days of informal conference sessions in FY2015 to adjudicate violators of pharmacy laws/rules.

Status: ACCOMPLISHED

Comment: During FY2015, the Division prepared for and conducted 29 days of Informal Conferences for 399 licensees/registrants and applicants, as indicated in the following charts. The number of licensees/registrants and applicants increased in FY2015, from 376 licensees/registrants and applicants in FY2014.

Informal Conferences for Pharmacies and Pharmacists

Dates of Informal Conferences	# of Days	# of Phy/RPh Licensees	# of Techs	# of Cases	# of Licensees Dismissed
September 9-10, 2014 *	1.5	12		10	
October 7-8, 2014	2	18	1	13	
October 23, 2014	0.5	2		2	
December 2-4, 2014 **	2.5	24	2	16	2
January 13-15, 2015 ***	2.5	25	1	21	1
January 22, 2015	0.5	3		3	
March 3-4, 2015	1.5	19	1	12	3
March 26, 2015	0.5	1		1	
April 7-8, 2015	2	24		18	3
April 23, 2015	0.5	2		2	
June 2-4, 2015	3	31		22	3
July 7-8, 2015	2	20		18	2
July 23, 2015	0.5	3		3	
TOTAL	19.5	184	5	141	14

* 1 application withdrawn at IC due to No-show

** 1 application withdrawn at IC after appearance

*** 2 applications withdrawn at IC due to No-show

Informal Conferences for Technicians/Technician Trainees

Dates of Informal Conferences	# of Days	# of Cases	Applicants	Registrants	No-shows	Defaults
September 25, 2014	1	28	13	15	9	7
October 23, 2014	1	26	10	16	5	10
November 12, 2014	1	17	8	9	2	5
December 4, 2014	.5	7	4	3	1	3
January 22, 2015	1	22	12	10	6	6
March 26, 2015	1	18	9	9	5	3
April 23, 2015	1	26	11	15	2	10
May 28, 2015	1	23	5	18	4	11
June 25, 2015	1	25	8	17	3	10
July 23, 2015	1	18	10	8	4	4
TOTAL	9.5	210	90	120	41	69

LEGAL DIVISION

Division staff used electronic notebooks for all informal conferences, thus allowing the informal conference panel to access the allegations and evidence on computer laptops and reducing copying cost and staff time to prepare informal conference notebooks. Division staff also prepared this information in advance to allow the Board members additional time to review the cases prior to informal conference.

4. **To refer disciplinary cases to the State Office of Administrative Hearings (SOAH) throughout FY2015, and file a complaint with SOAH within an average of 180 days of the date that the agency determines the case cannot be settled with an Agreed Board Order.**

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

- A. At the onset of FY2015, seven respondent cases were ongoing following the filing of a complaint at the State Office of Administrative Hearings in FY2014 and pending a resolution. The Division filed formal Complaints at SOAH, within an average of 180 days from the date the case failed to settle with an Agreed Board Order, for 17 additional respondent cases in FY2015.
- B. Six respondent cases were resolved prior to a full contested administrative hearing being conducted at SOAH. Of these cases, one respondent case was resolved through the SOAH mediation process. The remaining cases were resolved otherwise, including through negotiations. This resolution was beneficial in saving the agency both considerable time and effort in the alternative of preparing for and presenting a full contested case hearing. However, considerable preparation was required for several of the cases because they were not resolved until shortly before the scheduled hearing date.
- C. Administrative hearings were conducted against three respondents in FY2015. Proposals for Decision (PFD) were issued by the Administrative Law Judges against six respondents during FY2015. Nine respondent cases were pending a hearing at the end of FY2015.
- D. SOAH performed 169.25 hours of work on 12 cases for the TSBP in FY2015, totaling approximately \$8414.07 in direct hearings expenses and \$24,199.32 in total case expenses. These SOAH hours are decreased from FY2014 which had 222 hours of work on 22 cases.

5. **To research legal issues and provide legal services and advice to the Board and agency staff; to provide legal services to the Enforcement and Administrative Services and Licensing Divisions regarding interpretation of the laws and rules and to the Division of Professional Services in the development of agency rules and publication of newsletters.**

Status: ACCOMPLISHED

LEGAL DIVISION

Comment: This objective was accomplished through the following activities:

A. Legal Research and Advice on Agency Administration

- (1) General Counsel continued to work to develop efficient procedures for Board member access to case information prior to informal conferences.
- (2) General Counsel served as Fraud Coordinator for the agency.
- (3) General Counsel participated in meetings regarding Risk Assessment and provided recommendations in the development of the agency's Risk Management plan.
- (4) General Counsel and Division staff provided legal advice and consultation on numerous personnel issues during FY2015, including:
 - (a) assisted with issues in various hiring/disciplinary processes and complaints against agency employees;
 - (b) advised regarding FMLA leave issues and sick leave pool requests;
 - (c) provided legal advice regarding outside employment for agency staff;
 - (d) developed and/or reviewed performance plans and/or probation;
 - (e) interviewed applicants for new positions;
 - (f) assisted with resolution of complaints against agency employees; and
 - (g) developed and/or reviewed policy changes for TSBP Employee Handbook, particularly in regard to adverse actions against employees and discrimination and harassment issues, for vehicle guideline, and for FMLA and hazardous materials.
- (5) General Counsel served as the agency's Ethics Advisor and continued to assist Board Members and staff with legal and ethical issues.
- (6) General Counsel consulted with other Division Directors regarding the evaluation of results of the Survey of Employee Engagement completed by agency staff.
- (7) General Counsel assisted in the review and preparation of minutes of four regularly-scheduled Board meetings.

LEGAL DIVISION

- (8) General Counsel reviewed the contract proposals and participated in the bid proposal process for sterile compounding pharmacy inspectors and pharmacist experts for review and testimony in legal cases

B. Technical Assistance to Enforcement Activities

- (1) Division staff researched numerous issues, including the determination of crimes of moral turpitude, various forms of disposition for criminal cases, and applicability of actions taken in other jurisdictions.
- (2) General Counsel attended meetings, as requested, to provide legal guidance on inspection and investigative issues.
- (3) Division staff drafted numerous subpoenas and voluntary revocation orders to assist with the investigative work of the TSBP investigators.
- (4) Division staff handled legal questions from all staff regarding a myriad of issues.
- (5) General Counsel and Division staff reviewed complaint files for pharmacists and pharmacies and provided guidance regarding the identification of violations and the resolution of the cases. In addition, General Counsel and Division staff reviewed complaint files on pharmacy technicians to determine type of violation and appropriate action, as previously determined by the Board.
- (6) General Counsel and Division staff made presentations at all Board meetings held in FY2015. Presentations included information about proposed Agreed Board Orders and proposed Board Orders following SOAH proceedings.
- (7) General Counsel participated in meetings to discuss appropriate action regarding questions/issues raised by licensees.
- (8) Division staff informed the Enforcement staff of disciplinary actions to be taken by the Board prior to entry of the orders, to ensure the correct information is immediately available on the computer system.
- (9) Division staff assisted the Enforcement Division with issues involving the monitoring of impaired pharmacists, including legal consultation on handling of positive drug screens and interfacing with the PRN program.
- (10) Division staff drafted ineligibility issues for pharmacist applicants who did not qualify for licensure under the Texas Pharmacy Act.
- (11) Division staff redacted files to comply with orders of expunction and of non-disclosure regarding criminal offenses.

LEGAL DIVISION

- (12) Division staff assisted Compliance staff with questions during inspections and regarding follow-up issues.
- (13) Division staff coordinated with the Enforcement Division to prepare for agency action regarding rescheduling of hydrocodone products from CIII to CII in October 2014.
- (14) General Counsel assisted with implementation of inspection requirements of sterile compounding pharmacies and selection process of vendors approved to conduct out-of-state inspections.
- (15) General Counsel assisted with State Auditor's compliance audit of sterile compounding inspection procedures.
- (16) General Counsel and Division staff consulted with the Enforcement Division in development of record retention policies for the use of TSBP-issued cellular phones.

C. Legal Services for Professional Services

- (1) General Counsel assisted the Division of Professional Services in the review/drafting of proposed rules and preambles for rules, and the review of rule submissions to the *Texas Register* for all rules either proposed or adopted during FY2015.
- (2) General Counsel assisted the Division of Professional Services with requests for public information in clarifying requests and requesting assistance from the OAG.
- (3) General Counsel assisted with the continued implementation of the agency's social media presence (e.g., Facebook, Twitter, Mail Chimp).
- (4) General Counsel assisted the Director of Professional Services with the development of on-line and video training, e.g. series on identification of pill mill activities
- (5) Division staff worked with the Division of Professional Services to streamline the continuing education compliance audits for pharmacists and pharmacy technicians.
- (6) General Counsel worked with the Director of Professional Services to update the rules for nuclear pharmacies to include updated sterile compounding requirements, including site visits to assess appropriate requirements and participation in stakeholder meetings.
- (7) General Counsel assisted in the development of updated rules for ambulatory surgical center and freestanding emergency medical care facility pharmacies, including participating in a workgroup.

LEGAL DIVISION

- (8) General Counsel participated in implementation team preparing for the legislative action regarding the transition of the Prescription Monitoring Program from the Texas Department of Public Safety to the agency. General Counsel assisted with development of an initial Request for Information, the Request for Proposal, and a grant proposal for the program.

D. Legal Services for Licensing

- (1) Division staff assisted with recommendations on eligibility for licensure and registration, verified accuracy of warning letters, and handled cases through the legal process.
- (2) General Counsel reviewed requests for accommodation under the Americans with Disabilities Act for legal compliance.
- (3) General Counsel was consulted on issues concerning licensing of pharmacists and pharmacies and regarding application forms.
- (4) Division staff coordinated with the Texas Guaranteed Student Loan Association to resolve licensing issues regarding loan default for a pharmacist.

E. Other Legal Services regarding Pharmacy Issues

- (1) General Counsel participated in meetings and teleconferences regarding any pending pharmacy issues as required, such implementation of volunteer health practitioners, electronic supervision of pharmacy technicians for sterile compounding, coordination of sterile compounding inspections with FDA; and Class D requirements for pharmacies operated by the Department of State Health Services.
- (2) General Counsel participated in the writing of questions and the review of the question pool for the Multistate Jurisprudence Examination to ensure the validity of the questions in the pool.
- (3) General Counsel participated in teleconference meetings of committees to review requests for pilot projects and assisted with development of rules on related issues.
- (4) General Counsel participated in and provided legal analysis for all task force meetings, including the ASC/Class F task force.
- (5) General Counsel participated in the agency's implementation of sterile compounding requirements for nuclear pharmacies.

LEGAL DIVISION

6. To review and monitor the Texas Register for Attorney General opinions; to draft requests for Attorney General Opinions throughout FY2015; to serve as liaison for the Board to the Office of the Attorney General (OAG); to monitor and assist with appeals, injunctions, or civil litigation handled by the OAG against pharmacists or non-pharmacists

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

- A. Division staff reviewed new opinions of the Office of the Attorney General for applicability to TSBP and disseminated any relevant material to appropriate agency personnel.
- B. Liaison with the Office of Attorney General
 - (1) Division staff continued to serve as liaison with the OAG throughout FY2015. Ted Ross served as the Assistant Attorney General assigned to TSBP from the OAG Administrative Law Division.
 - (2) Appeals; Injunctions; Civil Litigation
 - (a) General Counsel coordinated representation regarding appeal of Board Order on an impaired pharmacist suspended in conjunction with an order in another state at the Texas Supreme Court and appeal of Board Orders on pharmacy and pharmacist involved in nontherapeutic dispensing of controlled substances; and
 - (b) Division staff coordinated representation with OAG attorney regarding expunction and non-disclosure of criminal matters also relevant to agency disciplinary action.
 - (3) Requests for AG Opinions

Division staff drafted requests for open records decisions for filing with the OAG.
 - (4) General Assistance

General Counsel answered questions from OAG attorneys regarding various pharmacy and/or agency issues.

7. To assist with open records requests throughout FY2015, in accordance with the procedures set forth in the Texas Public Information Act.

Status: ACCOMPLISHED

LEGAL DIVISION

Comment: This objective was accomplished through the following activities:

- A. General Counsel reviewed written responses to open records requests, prepared by the Professional Services Division, for legal compliance with the Public Information Act in FY2015. In addition, the General Counsel assisted with clarifying certain open records requests requiring telephonic clarification, when legal issues were involved.
- B. General Counsel attended presentations regarding current public information topics.
- C. Division staff handled requests for open records decisions for those open records requests that related to confidential information requiring a ruling from the OAG.

8. To provide verbal and written information to Board staff and customers, including responses to surveys and questionnaires, as needed and required throughout FY2015; to provide legal assistance and maintain liaison with appropriate local, state, and federal prosecutors, legal divisions, and enforcement agencies involved in the investigation or prosecution of Board licensees, in conjunction with the Enforcement Division, throughout FY2015.

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

- A. Surveys/Questionnaires and Other Correspondence
General Counsel and/or Division staff responded to following surveys:
 - (1) Annual survey from the State Office of Administrative Hearings.
 - (2) Client survey from the OAG.
- B. Technical Assistance to Other Agencies and Organizations
 - (1) General Counsel and Division staff consulted with the Director of the Professional Recovery Network to discuss the handling of cases involving impaired pharmacists.
 - (2) Division staff attended Public Service Career Day at the University of Texas School of Law.
 - (3) General Counsel participated in meetings and other communications with the FDA regarding compounding of sterile products.
 - (4) General Counsel participated in DEA-State Regulators meeting regarding development of federal regulations for telemedicine.

LEGAL DIVISION

- (5) General Counsel reviewed proposed rules of Texas Medical Board prior to stakeholder meetings and attended meetings to provide input. Division staff coordinated with the Texas Medical Board regarding the prosecution of pill mill cases.
- (6) General Counsel attended meetings of the Statewide Information Privacy Advisory Committee.
- (7) General Counsel and Division staff engaged with DEA, DPS, the Texas Medical Board and other law enforcement and prosecutorial agencies regarding enforcement of laws against pill mills in the Houston and Dallas area.
- (8) General Counsel participated in the Texas Government Social Media Alliance meetings.
- (9) Division staff coordinated with and/or assisted state and federal prosecutors, DEA investigators, and Board staff in other pharmacy and pharmacist licensing jurisdictions with questions and requests as needed throughout the fiscal year.
- (10) General Counsel assisted the Executive Director in meetings with DSHS and to prepare for legislative issues regarding sterile compounding and implementation of the federal Drug Quality and Security Act of 2014 and the 84th Legislative Session.
- (11) Division staff assisted other licensing agencies with issues involving validity and authorization of prescriptions and with standardization of agreed settlement orders.

D. Technical Assistance to the Legislature

General Counsel and/or Division staff responded to questions from and attended meetings with Legislators/legislative staff and Governor's staff regarding pharmacy and/or agency issues and related to proposed legislation.

E. Technical Assistance to the Press and the Public

- (1) Division staff answered numerous telephone calls from pharmacist and pharmacy technician applicants and licensees/registrants regarding the application process and the associated disciplinary process, including providing information about denial of registration and options for Informal Conference.
- (2) Division staff answered questions from licensees, attorneys, and other members of the public regarding legal issues, including:
 - (a) licensing eligibility and requirements;
 - (b) effect of convictions and deferred adjudications and/or probation for various crimes on registration and licensure;

LEGAL DIVISION

- (c) applicability of pharmacy laws and rules; and
- (d) schedules for resolution of pending cases.
- (3) Division staff participated in UT Law School educational and recruitment programs.
- (4) General Counsel provided information to various reporters researching pharmacy-related stories
- (5) Division staff participated in meetings of the State Agency Council.
- (6) General Counsel consulted with pharmacy business entities on issues regarding legalities of implementing proposed business models.

9. To assist the Executive Director in developing and implementing the objectives of the Health Professions Council (HPC) pertinent to Division activities throughout FY2015.

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

General Counsel and Division staff participated in the HPC Legal Committee, which includes attorneys from other agencies, as requested to discuss problems identified with the State Office of Administrative Hearings regarding the handling of legal cases for HPC agencies.

10. To maintain a staff development program by encouraging Division staff to participate in professional and interpersonal development seminars, cross training, and on-the-job training throughout FY2015.

Status: ACCOMPLISHED

Comment: This objective was accomplished through the following activities:

In FY2015, Division staff attended general staff meetings and in-house training sessions. In addition, Division attorneys attended required continuing legal education, and Division staff attended various programs, seminars, and events.

11. To conduct periodic reviews and annual evaluations of all employees under the supervision of this Division during FY2015.

Status: ACCOMPLISHED

LEGAL DIVISION

Comment: This objective was accomplished through the following activities:

- A. Division staff was evaluated on an annual basis, as required by agency policy.
- B. General Counsel conducted team meetings approximately once a month with Division staff. Legal Assistants met with the Legal Program Manager on a bimonthly basis.
- C. Division staff conducted the hiring process to fill 2 attorney positions and 1 legal assistant position during FY2015.
- D. Division staff interviewed for and had two legal interns during the summer of 2015 to provide assistance with the preparation of legal cases.
- E. General Counsel and/or Division staff prepared and conducted orientations for all new TSBP employees and interns during FY2015 regarding the Legal Division, the disciplinary process, ethics, and Public Information and Open Meetings Acts.

12. To destroy records in accordance with the agency's record retention plan throughout FY2015; to update the Division's Policies and Procedures Manual as needed and submit any substantive revisions to the Executive Director for approval throughout FY2015.

Status: ACCOMPLISHED

Comment: This objective was accomplished as follows:

- A. Records Management

During FY2015, Division staff destroyed records, in accordance with the TSBP record retention schedule, including general correspondence. Division staff also prepared and indexed material for electronic storage. In addition, Division staff revised the shared directory structure for improved use by the Legal Division to simplify access to files.
- B. Policies and Procedures
 - (1) Division staff updated and maintained Disciplinary Notebooks containing all Board Orders and Agreed Board Orders.
 - (2) Division staff updated notebook of samples of preliminary notice letters for pharmacist and pharmacy disciplinary actions and forms for various pharmacy technician and technician trainee PNLs.
 - (3) Division staff continued to review and draft/update written policies and procedures for handling of cases to provide reference and training material for the Division positions.
 - (4) Division staff developed and documented streamlined procedures to handle expunction and nondisclosure orders for varying types of complaints and cases.

LEGAL DIVISION

- (5) Division staff updated procedures for drafting ABOs to streamline the process and ensure that all paragraphs are up-to-date with the latest changes. This procedure includes a menu of ABO choices and standard paragraphs from which to merge the paragraphs to create the ABO documents.

13. To recommend changes to the Texas Pharmacy Act and rules and to recommend policies and procedures that will enhance the agency's ability to protect the public health, safety, and welfare, or will improve the efficiency and effectiveness of the agency's operations, and forward the recommendations to the Executive Director throughout FY2015.

Status: ACCOMPLISHED

Comment: This objective was accomplished as follows:

- A. Division staff continues the process of posting the scanned version of prior actions on the agency's website. The ongoing process includes scanning and archiving prior disciplinary actions in PDF files on shared drive, which has also assisted Board staff by allowing for easy access to the prior orders.
- B. Division staff continues to work on improving the presentation of proposed disciplinary actions to the Board at Board meetings through the use of a detailed summary of those actions entered by the Executive Director and those to be entered by the Board on the electronic notebooks.
- C. Division staff worked to improve the use of a secure mechanism for Board member access to confidential information regarding informal conferences and Board meeting presentation material (i.e., proposed disciplinary orders) prior the date of the meeting.
- D. General Counsel served as co-chair on the agency's Wellness Committee and coordinated the following programs:
 - (1) Maintain No Gain;
 - (2) Farm-to-Work;
 - (3) 15 in 15;
 - (4) Provision of flu shots;
 - (5) Bone density and glucose screening;
 - (6) Weekly yoga classes;
 - (7) Lose and Win and other nutrition presentations; and
 - (8) AED training.

In addition, General Counsel conducted agency survey regarding utilization of the program. Agency staff responded positively to the survey, and the results were used in the development of new programs.

- E. Division staff developed Calendar of Events for FY2015 for informal conferences and reserved conference rooms accordingly.

LEGAL DIVISION

- F. General Counsel reviewed expenditures of seizure money for compliance with laws and policies.
- G. Division staff updated automatically generated letterhead which resulted in significantly reduced printing costs.
- H. General Counsel and Division staff provided ongoing analysis and preparation of pill mill cases for presentation to pharmacist experts for expert opinions on whether to proceed with disciplinary action.
- I. Division staff developed standard Agreed Board Order paragraphs for pharmacy technician cases and modified other Agreed Board Order standard paragraphs to better address automatic status triggers when respondents fail to comply with provisions of an order. Division staff also updated the Preliminary Notice Letter standard paragraphs to reflect updates to language routinely used and to accommodate changes in laws and rules.
- J. Division staff implemented a new procedure to continue the effort to maintain a paperless environment for documents in Legal Division, which includes scanning of all documents involved in informal conferences. All documents are maintained in an on-line folder immediately accessible to all staff.
- K. Division staff implemented a new procedure to obtain consent from licensees and/or their attorneys to provide proposed Agreed Board Orders via email in order to expedite the process and reduce costs of mailing.
- L. Division staff reorganized the Legal Division electronic file directory structure for improved efficiency in locating specific cases and files.
- M. Division staff developed new policies and procedures for implementing the requirement that TSBP allow for the entry of Remedial Plans for certain types of statutory violations.
- N. Division staff prepared guidelines for standardizing addresses on Division correspondence.
- O. Texas Pharmacy Act

General Counsel submitted changes to the Pharmacy Act for approval by the TSBP regarding disciplinary and legal proceedings for the legislative session.

LEGAL DIVISION

P. Board Rules

- (1) General Counsel drafted rule changes to disciplinary guidelines and disciplinary sanctions for all licensees and for professional responsibility, and reviewed and recommended modifications for rules changes presented to the Board.
- (2) General Counsel and Division staff reviewed rule changes throughout the fiscal year.

14. To prepare and submit a report on the accomplishment of Division objectives, for incorporation into the agency's FY2014 *Annual Report* to be presented to the Board by its May 2015 Board meeting.

Status: ACCOMPLISHED

Comment: The Division's first draft of the FY2014 *Annual Report* was submitted to the Executive Director by the due date. The final draft of the report was submitted to the Board at the August 2015 Board meeting.