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## OFFICE OF THE EXECUTIVE DIRECTOR FY2001 SIGNIFICANT ACCOMPLISHMENTS

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1. During FY2001, the following organizational changes, which were begun in FY2000, were completed. These changes resulted in better coordination of enforcement activities and improved operations. As a result of these changes, the agency is now composed of the following divisions.
  - # **Administrative Services and Licensing** – Cathy Stella, PHR, Director. The goal of the Administrative Services and Licensing Division is to administer agency operations including personnel, accounting, budgeting, purchasing, property management, and information technologies. To conduct a pharmacy and pharmacist licensure system, initial licensure by examination, and the ongoing renewal of licenses.
  - # **Enforcement Division** – Carol Fisher, R.Ph., M.P.A., Director. The goal of the Enforcement Division is 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
  - # **Legal Division** – Kerstin Arnold, J.D., General Counsel. The goal of the Legal Division is 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.
  - # **Professional Services Division** – Steve Morse, R.Ph., Director. The goal of the Professional Services Division is to facilitate agency operations by providing information through publications, including the *Newsletter*, law references, and the *Texas Register*; and by providing professional services, including internship reviews, law exam development, task force support, and public speaking engagements to agency customers.
2. The agency accomplished or partially accomplished 100% of its 102 objectives [93 accomplished (91%) and 9 partially accomplished (9%)]. The agency also met or exceeded 73% of its 11 key performance measures listed in the Appropriations Act and required to be reported on an annual basis to the Legislative Budget Board [8 met/exceeded (73%) and 3 not met (27%)].
3. The appointments of Board Members Roger W. Anderson, Dr.P.H., R.Ph., Rosemary Forester Combs, and Oren M. Peacock, Jr., R.Ph. were confirmed by the full Senate on March 14, 2001.
4. The Task Force to Develop Standards for Pharmacists Peer Review Committees completed its work resulting in Board approval of a document titled, *Guidelines for Establishing Pharmacist Peer Review Committees*.

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**EXECUTIVE DIRECTOR**

5. Management staff of the agency, with input from Divisions' staffs, formulated uniform objectives for employee evaluations. This accomplishment was in compliance with requirements of the Texas Human Rights Commission.

6. Significant legislation passed by the 76<sup>th</sup> Legislature which will impact the operation of the agency and/or the practice of pharmacy in Texas include:
- (1) **S.B. 768 – Pharmacy “Clean-up Bill”** – This bill amends the:
    - (a) Texas Pharmacy Act, regarding generic substitution and becomes effective on June 1, 2002, to:
      - P** eliminate the requirement that a prescription be on a two-line prescription form;
      - P** delete the prohibition against providing preprinted prescription forms to a practitioner;
      - P** specify that a pharmacist may dispense a generically equivalent drug product unless the practitioner certifies on the prescription form that a specific prescribed brand is medically necessary. The certification must be made as required by the “dispensing directive” adopted by the Board;
      - P** require the Board to adopt rules to provide a dispensing directive to instruct pharmacists on the manner in which to dispense a drug;
      - P** require the Board to regulate the use of electronic prescriptions in the manner provided by federal law;
      - P** in adopting the dispensing directive, requires the Board to consult with the Texas State Board of Medical Examiners and any other licensing agency that regulates health care providers who may be affected by the directive. Rules to implement the directive must be adopted no later than June 1, 2002; and
    - (b) Texas Pharmacy Act and Chapters 242 and 252 of the Health and Safety code to transfer the jurisdiction over emergency medication kits (EMK) from the Department of Health and Human Services to the Board of Pharmacy.
  - (2) **S.B. 98 - Remote Automated Pharmacy Systems** – The bill:
    - (a) defines automated pharmacy system to mean a mechanical system that dispenses prescription drugs and maintains related transaction information;
    - (b) specifies that a Class A or Class C pharmacy may maintain controlled substances and dangerous drugs in an automated pharmacy system at a facility that is not at the same location as the pharmacy;
    - (c) specifies that the automated pharmacy system is required to be under the continuous supervision of a pharmacist as determined by the Board and that a pharmacist is not required to be physically present at the site of the automated pharmacy system and the pharmacist may supervise the system electronically; and
    - (d) specifies that the Board must adopt rules relating to automated pharmacy systems by February 28, 2001.
  - (3) **S.B. 65 - Telepharmacy Systems** – The bill:
    - (a) defines telepharmacy system to mean a system that monitors the dispensing of

prescription drugs and provides for related drug use review and patient counseling services by an electronic method, including the use of the following types of technology:

**P** audio and video;

**P** still image capture; and

**P** store and forward.

- (b) specifies that a Class A or Class C pharmacy may provide pharmacy services, including the dispensing of drugs, through a telepharmacy system in a facility that is not at the same location as the pharmacy.

- (c) specifies that the telepharmacy system is required to be under the continuous supervision of a pharmacist as determined by the Board but that a pharmacist is not required to be physically present at the site of the telepharmacy system, and a pharmacist shall supervise the system electronically by audio and video communication.
- (d) specifies that the Board must adopt rules relating to telepharmacy systems by February 28, 2001.

**OFFICE OF THE EXECUTIVE DIRECTOR**  
**FY2001 SIGNIFICANT DISAPPOINTMENTS/CONSTRAINTS**

1. The agency began FY2001 with two vacant positions (field investigator for Austin area and Investigator II). During FY2001, the agency experienced an additional turnover in six positions (five resignations and one retirement). This high turnover rate resulted in agency staff spending a significant amount of time and efforts advertising for vacant positions, evaluating applications, interviewing applicants, and orienting/training new employees.
2. The average time to close a complaint in FY2001 was 262 days, as compared to 220 days in FY2000, an increase of 19%, as indicated in the chart below:

Fiscal Year	Complaints Received	% Change Complaints Received Previous Year	Complaints Closed	% Change Complaints Closed Previous Year	% Complaints Closed	Resolution Time (Agency Average)	% Change Time
FY97	1736		1697		98%	171 Days	
FY98	1314	-24%	1504	-11%	114%	222 Days	+30.00%
FY99	1533	+17%	1335	-11%	87%	221 Days	-0.45%
FY00	1577	+3%	1513	+13%	96%	220 Days	-0.45%
FY01	1683	+7%	1667	+10%	99%	262 Days	+19.00%

3. The agency budget request to implement the registration of pharmacy technicians as passed during the 76<sup>th</sup> (1999) Legislative Session was denied by the 77<sup>th</sup> (2001) Texas Legislature. This action resulted in an unfunded mandate for the agency to register and remove a registration, if necessary, for approximately 20,000 pharmacy technicians in Texas.

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## FY2001 GOALS AND OBJECTIVES

### OFFICE OF THE EXECUTIVE DIRECTOR

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#### 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, as required by the 77<sup>th</sup> Legislature, and to review all legislation introduced by the 77<sup>th</sup> Legislature and monitor the progress of any legislation that has a potential impact on TSBP operations or the practice of pharmacy throughout FY2001.

**Status:** ACCOMPLISHED

**Comment:** This objective was accomplished through the following activities:

- A. A total of 5,712 bills were introduced in the 77<sup>th</sup> Legislative Session. The Executive Director reviewed each of these bills and/or assigned the review of these bills to one or more agency staff. A total of 369 bills that affected the agency or the practice of pharmacy were tracked and monitored.
- B. The Executive Director met with legislators or their staff or testified before legislative committees a total of 25 times as follows:

Date	Legislator or Committee
10/12/00	Senate Committee on Health Services Working Group on Privacy — Austin
11/21/00	Meeting with Representative Maxey to discuss Automated Dispensing Legislation — Austin
11/27/00	Meeting with staff of Senator Nelson and Representative Maxey to discuss Automated Dispensing — Austin
11/27/00	Meeting with Senator Moncrief's staff regarding Telepharmacy — Austin
1/8/01	Meeting with Representative Maxey's staff to discuss Pharmacist Profiles — Austin
1/17/01	Senate Finance Committee — Austin
1/29/01	Subcommittee on Regulatory Agencies of the House Appropriation's Committee — Austin
2/2/01	Meeting with Representatives Maxey and Kitchen regarding Medical Privacy Legislation — Austin
2/6/01	Subcommittee on Regulatory Agencies of the House Appropriation's Committee — Austin
2/12/01	Subcommittee on Regulatory Agencies of the House Appropriation's Committee — Austin
2/12/01	Senate State Affairs Committee Meeting regarding S.B. 441

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Date	Legislator or Committee
2/20/01	House Appropriations Committee Hearing — Austin
2/26/01	Senate Finance Committee Hearing — Austin
2/27/01	Senate Nominations Committee Hearing — Austin
3/14/01	House Public Health Committee Meeting on H.B. 93, 99, 100, 611, and 667 — Austin
3/15/01	Senate Health and Human Services Committee Meeting on S.B. 65 and 98 — Austin
3/22/01	Senate Health and Human Services Committee Meeting on S.B. 768 — Austin
4/11/01	House Public Health Committee Hearing on H.B. 2128 and H.B. 3454 — Austin
4/18/01	Meeting with Senator Nelson’s staff regarding registration of pharmacy technicians — Austin
4/19/01	Meeting with Representative Gutierrez and Maxey regarding S.B. 98 — Austin
4/20/01	Meeting with Representative Gutierrez and Maxey regarding S.B. 98 — Austin
4/24/01	Conference Committee on S.B. 1 — Austin
6/27/01	Meeting with Representative Maxey regarding H.B. 2408 — Austin
6/29/01	Health Professions Council Meeting regarding H.B. 187 — Austin

C. Significant legislation passed by the 77<sup>th</sup> Legislature which will impact the operation of the agency and/or the practice of pharmacy in Texas include:

(1) **S.B. 1 - Appropriations Act –**

- (a) The FY2002-03 base appropriation to the agency was at approximately the same level as the FY2000-01 biennium. The agency FTE cap was set at 46.9 which is down from 47 in FY2000-01. A significant omission in the agency’s appropriation is the lack of funds to implement the registration of pharmacy technicians. Four *“contingency riders”* allow the agency to expend additional funds provided the agency generates additional revenue.
- (b) Salary Provisions
  - # All classified employees were given a 4% pay raise, with a minimum of \$100 per month. The agency is required to generate sufficient revenue to fund the pay increase.
  - # No increase in salary for the Executive Director was authorized.
- (c) Travel Provisions
  - # Travel restrictions were set for out-of-state travel only. Out-of-state travel was limited to 100% of the agency’s out-of-state travel in FY2000.
  - # Travel reimbursement was increased for staff and Board members to \$110/per day (\$80 per day for lodging and \$30 per day for meals).

- (2) **S.B. 187 Pharmacy and Pharmacists Profile System** – This bill establishes a TexasOnline Authority and Project.
- (a) The Authority is required to:
- # establish a common electronic infrastructure through which state agencies and local governments may electronically send and receive documents or required payments; and
  - # charge a subscription fee to licensing agencies in amounts sufficient to cover the cost of implementing the bill.

- (b) Licensing agencies are authorized to increase license fees to cover the cost of the subscription fee imposed on the agency by the Authority. The increase in fees can be no more than \$10 for a biennial renewal and \$5 for an annual renewal.
  - (c) The bill requires specific licensing agencies, including TSBP for pharmacies and pharmacists, to establish a profile system containing certain information.
- (3) **S.B. 645 - Electronic System for License Transactions** – This bill requires occupational licensing agencies to participate in a common electronic system using the Internet which allows the agency to:
- (a) send licenses and other documents to licensees and the public;
  - (b) receive applications for licensing and other documents electronically; and
  - (c) receive payments from licensees and the public.
- (4) **H.B. 609 - Internal Auditing of State Agencies** – This bill requires small state agencies that were previously exempt from the internal auditing requirements to establish an internal auditing program. TSBP is required to appoint an internal auditor by January 1, 2002, and submit the first internal audit report on October 31, 2002.
- (5) **H.B. 2408 - Health Professions Council Study of Complaint Procedures** –
- (a) This bill requires the Health Professions Council (HPC) to study the complaint procedures for the HPC agencies.
  - (b) HPC is required to deliver a report on the study to the Lieutenant Governor and Speaker of the House not later than January 1, 2003. The report must include recommendations for:
    - P** a standard procedure for the handling of complaints by the agencies studied; and
    - P** a method that provides the most complete public access to complaint information.
- (6) **S.B. 768 – Pharmacy “Clean-up Bill”** – This bill amends the:
- (a) Texas Pharmacy Act and Dangerous Drug Act to make the definitions of “dangerous drug” and “prescription drug” match the federal definition;
  - (b) Texas Pharmacy Act, definition of “pharmacist-intern,” to clarify that an undergraduate student may participate in any Board-approved internship program;
  - (c) Texas Pharmacy Act to allow the Board to maintain jurisdiction over a pharmacist or pharmacy license after the license has expired if the license is the subject of a pending investigation or disciplinary action;
  - (d) Texas Pharmacy Act to increase the continuing education hours

required to renew a pharmacist's license from 24 hours to 30 hours for a 2-year period (Note: this change applies to a renewal period that begins after 9/1/01, so the first reporting of the 30 hours will occur for licenses expiring on 8/31/03);

- (e) Texas Pharmacy Act to prohibit the use of the word "apothecary" unless the business is a pharmacy;

- (f) Texas Pharmacy Act, regarding generic substitution and effective on June 1, 2002, to:
    - P** eliminate the requirement that a prescription be on a two-line prescription form;
    - P** delete the prohibition against providing preprinted prescription forms to a practitioner;
    - P** specify that a pharmacist may dispense a generically equivalent drug product unless the practitioner certifies on the prescription form that a specific prescribed brand is medically necessary. The certification must be made as required by the "dispensing directive" adopted by the Board;
    - P** require the Board to adopt rules to provide a dispensing directive to instruct pharmacists on the manner in which to dispense a drug;
    - P** require the Board to regulate the use of electronic prescriptions in the manner provided by federal law; and
    - P** in adopting the dispensing directive, require the Board to consult with the Texas State Board of Medical Examiners and any other licensing agency that regulates health care providers who may be affected by the directive. Rules to implement the directive must be adopted no later than June 1, 2002;
  - (g) Texas Pharmacy Act and Chapters 242 and 252 of the Health and Safety code to transfer the jurisdiction over emergency medication kits (EMK) from the Department of Health and Human Services to the Board of Pharmacy;
  - (h) Texas Pharmacy Act to specify that the Board may discipline a pharmacist or pharmacy student who has used alcohol or drugs in an intemperate manner that, in the Board's opinion, could endanger a patient's life (Note: language formerly said "developed a drug or alcohol dependency"); and
  - (i) Texas Dangerous Drug Act and Texas Controlled Substances Act to specify that a pharmacist may not dispense a prescription if the pharmacist knows or should have known that the prescription was issued without a valid patient-practitioner relationship.
- (7) **S.B. 98 - Remote Automated Pharmacy Systems** – The bill:
- (a) defines automated pharmacy system to mean a mechanical system that dispenses prescription drugs and maintains related transaction information;
  - (b) specifies that a Class A or Class C pharmacy may maintain controlled substances and dangerous drugs in an automated pharmacy system at a facility that is not at the same location as the pharmacy;
  - (c) specifies that the automated pharmacy system is required to be under

- the continuous supervision of a pharmacist as determined by the Board and that a pharmacist is not required to be physically present at the site of the automated pharmacy system and the pharmacist may supervise the system electronically; and
- (d) specifies that the Board must adopt rules relating to automated pharmacy systems by February 28, 2001.

- (8) **S.B. 65 - Telepharmacy Systems** – The bill:
- (a) defines telepharmacy system to mean a system that monitors the dispensing of prescription drugs and provides for related drug use review and patient counseling services by an electronic method, including the use of the following types of technology:
    - P** audio and video;
    - P** still image capture; and
    - P** store and forward;
  - (b) specifies that a Class A or Class C pharmacy may provide pharmacy services, including the dispensing of drugs, through a telepharmacy system in a facility that is not at the same location as the pharmacy;
  - (c) specifies that the telepharmacy system is required to be under the continuous supervision of a pharmacist as determined by the Board but that a pharmacist is not required to be physically present at the site of the telepharmacy system and shall supervise the system electronically by audio and video communication; and
  - (d) specifies that the Board must adopt rules relating to telepharmacy systems by February 28, 2001.
- (9) **H.B. 99 - Internet Pharmacy** – This bill amends the Pharmacy Act to require:
- (a) the Board to adopt rules regarding the sale and delivery of drugs by use of electronic media, including the Internet by February 28, 2002;
  - (b) the Board to accept complaints through the Internet; and
  - (c) effective November 1, 2001, a pharmacy that sells or distributes drugs through the Internet to link its site to the Board's site.
- (10) **H.B. 100 - Authority over Internet Practice** – This bill amends the Occupations Code to add a new chapter titled "General Regulatory Authority Regarding Health Care Practitioners' use of Internet." This chapter specifies that the fact that an activity occurs through the use of the Internet does not affect a licensing agency's power to regulate an activity or person that would otherwise be regulated by the agency.
- (11) **S.B. 753 - Controlled Substance "Clean-up" Act** – This bill:
- (a) makes several "housekeeping" changes to the Controlled Substances Act; and
  - (b) amends the Controlled Substances Act to allow a pharmacist to dispense a Schedule II controlled substance pursuant to a facsimile copy of an official prescription under certain conditions.

2. To direct the agency in accomplishing any initiatives or objectives related to technology issues which impact the agency including e-commerce initiatives, electronic renewal of licenses,

implementation of the Health Professions Council Imaging System, web development, and Health Integrity and Protection Data Bank (HIPDB).

**Status:** ACCOMPLISHED

**Comment:** This objective was accomplished through the following activities:

- A.     **Electronic Renewal of Licenses**  
Numerous meetings were held with the staff of the Department of Information Resources and the contractor for the online project, KPMG. During FY2001, TSBP entered into "An Opportunity Proposal and Service Level Agreement" to initiate online renewal of pharmacists' licenses. Online renewals are scheduled to begin in FY2002. (See also Administrative Services and Licensing Division's New Goal #3.)
- B.     **Imaging System**  
During FY2001, the imaging system was installed and is fully operational. The agency began the massive project of scanning licensing files into the imaging system. This project is expected to continue for several years. (See Administrative Services and Licensing Ongoing Objective #7 for more details on implementation of the imaging system.)
- C.     **Web Development**  
Division Director Cathy Stella initiated the formation of a Web Committee, comprised of employees from all divisions, both management and non-exempt. Responsibility was assigned to members to periodically review the overall content of the web site and make each division accountable for the information contained on the site. Many cosmetic changes were made, various applications were updated, and a new online complaint form was designed for consumer use. (See also Administrative Services and Licensing On-going Objective #7.)
- D.     **Health Integrity and Protection Data Bank (HIPDB)**  
Information about all disciplinary orders entered by TSBP after September 1, 2000, regardless of sanction, were reported to HIPDB, as required by federal law/rules. An article notifying licensees about the HIPDB program was published in the Fall 2000 issue of the *TSBP Newsletter*. (See also Enforcement Division New Objective #3 and Legal Division New Objective #3.)

3.     To direct the agency in the implementation of a new program to register and regulate pharmacy technicians.

**Status:**           **PARTIALLY ACCOMPLISHED**

**Comment:**       At the request of the House Appropriations Committee, the Executive Director, with assistance from the Division Directors drafted an amendment to the agency's Legislative Appropriation Request. This amendment included a reduction from 16 to 8 staff needed to register/regulate pharmacy technicians for the FY2002-03 biennium, with the intent of asking for the remaining 8 staff for FY2004-05, if needed. The Senate Finance Committee voted to fund the agency at this new level. However, the House Appropriations Committee voted not to give the agency any additional funding or

resources to register/regulate pharmacy technicians. The Conference Committee on the appropriations bill voted with the House, and no additional staff or funding was appropriated to TSBP to register/regulate pharmacy technicians.

The Executive Director discussed the matter with the Board at its business meeting on August 7-8, 2001, at which time the Board determined to establish a task force to study the issue.

## Objectives (Ongoing)

1. To manage and monitor the agency's performance and operational efficiency throughout FY2001.

**Status:** ACCOMPLISHED

**Comment:** This objective was accomplished through the following activities:

- A Organizational changes begun in FY2000 were completed during FY2001 with the following changes, which resulted in better coordination of enforcement activities and improved operations:
  - # Responsibility for the inspection of pharmacies and answering of telephone inquiries about pharmacy laws and rules were transferred to the Enforcement Division.
  - # A new Professional Services Division was created; this division is responsible for such services as publication of the *Newsletter*, law book, and consumer brochure; drafting of rules; liaison with the Texas Register, and staffing of task forces.

As a result of these changes, the agency is now composed of the following divisions:

- # **Administrative Services and Licensing** – Cathy Stella, PHR, Director. The goal of the Administrative Services and Licensing Division is to administer agency operations including personnel, accounting, budgeting, purchasing, property management, and information technologies. To conduct a pharmacy and pharmacist licensure system, initial licensure by examination, and the ongoing renewal of licenses.
- # **Enforcement Division** – Carol Fisher, R.Ph., M.P.A., Director. The goal of the Enforcement Division is 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.
- # **Legal Division** – Kerstin Arnold, J.D., General Counsel. The goal of the Legal Division is 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.

- # **Professional Services Division** – Steve Morse, R.Ph., Director. The goal of the Professional Services Division is to facilitate agency operations by providing information through publications, including the *Newsletter*, law references, and the *Texas Register*; and by providing professional services, including internship reviews, law exam development, task force support, and public speaking engagements to agency customers.

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- B. The agency accomplished or partially accomplished 100% of its 102 objectives [93 accomplished (91%) and 9 partially accomplished (9%)]. The agency also met or exceeded 73% of its 11 key performance measures listed in the Appropriations Act and required to be reported on an annual basis to the Legislative Budget Board [8 met/exceeded (73%) and 3 not met (27%)] as indicated below:

Performance Measure	FY01 Projected Performance	FY01 Performance Attained	Projected Target Met?*
<b>A. Goal: Maintain Standards</b> - To establish and implement reasonable standards for pharmacist education and practice, and for the operations of pharmacies to assure that safe and effective pharmaceutical care is delivered to the citizens of Texas.			
<b>Outcome</b> (Results/Impact)			
Percent of Licensees with No Recent Violations	99	98.3	Met
<b>A.1.1. Strategy: Licensing</b> - To operate a timely, cost-effective application and renewal licensure system for pharmacies and pharmacists.			
<b>Output</b> (Volume)			
Number of New Licenses Issued to Individuals	868	781	Not Met
Number of Licenses Renewed (Individuals)	15,032	15,278	Exceeded
<b>Efficiencies</b>			
Average Licensing Cost Per Individual License Issued	\$6.25	\$6.06	Met
Average Licensing Cost Per Facility License Issued	\$18.21	\$20.31	Not Met
<b>Explanatory</b>			
Total Number of Business Facilities Licensed	5,620	5,603	Met
<b>B. Goal: Enforce Regulations</b> - To assertively and swiftly enforce all laws relating to the practice of pharmacy to ensure that the public health and safety is protected from unprofessional conduct, fraud, and misrepresentation, and to prevent the misuse, abuse, and diversion of prescription drugs from pharmacies.			
<b>Outcome</b> (Results/Impact)			
Percent of Jurisdictional Complaints Resulting in Disciplinary Action	10%	10.7%	Exceeded
<b>B.1.1. Strategy: Enforcement</b> - Emphasize preventative enforcement by conducting compliance inspections of pharmacies; providing technical assistance, licensee information and educational programs; receiving, investigating, and resolving complaints; and monitoring compliance with disciplinary orders resulting from board adjudication.			
<b>Output</b> (Volume)			
Number of Jurisdictional Complaints Resolved	1,500	1,614	Exceeded
<b>Efficiencies</b>			
Average Time for Jurisdictional Complaint Resolution	225	267	Not Met
<b>Explanatory</b>			
Number of Jurisdictional Complaints Received	1,300	1,642	Exceeded
<b>B.1.2. Strategy: Peer Assistance</b> - Operate a peer assistance program.			
<b>Output</b> (Volume)			
Number of Licensed Individuals Participating in a Peer Assistance Program	140	153	Exceeded

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

*performance ("Exceeded"); or fell below projected performance ("Not Met").*

- C. The Executive Director assisted the Board in developing and publishing the agency's Position Statement on the Treatment of Pain.

- D. Three task forces completed their work during FY2001 as follows:
- # The Task Force to Establish Guidelines for Pharmacists Peer Review Committees met two times and presented its report to the Board at the May 2001 meeting. The Board adopted the suggested Guidelines and has published them for use by pharmacists in the state.
  - # Two task forces, on the Implementation of S.B. 798 and S.B. 98 and the Implementation of S.B. 65, each met one time and presented a combined report, in the form of draft rules for Remote Dispensing using automated dispensing systems, emergency medication kits, and telepharmacy systems, to the Board at the August 2002 meeting. The Board accepted the report and voted to propose the rules for comment. Final adoption of the rules is scheduled for FY2002.

2. To coordinate the development of proposed goals and objectives and budget for FY2002, based on the *Strategic Plan* and projected budget, for submission to the Board two weeks prior to the 2001 Annual Policy Meeting.

**Status:** ACCOMPLISHED

**Comment:** The *TSBP 2002 Goals and Objectives* and FY2002 operating budget were submitted to the Board as scheduled and were approved by the Board at its August 7-8, 2001, Board Business Meeting.

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 FY2001.

**Status:** ACCOMPLISHED

**Comment:** The agency's Enforcement, Compliance, Investigations, and Legal staffs worked extensively with federal, state, and local regulatory agencies. (See Enforcement Division's Ongoing Objective #7 and Legal Division's Ongoing Objective #5 for details of these cooperative efforts.)

4. 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 FY2001.

**Status:** ACCOMPLISHED

**Comment:** This objective was accomplished through the following activities:

- A. As a result of the passage of federal legislation, TSBP was required to provide information regarding disciplinary orders entered by TSBP to the Healthcare Integrity and Protection Data Bank (HIPDB). HIPDB is a national health care fraud and abuse data collection program for the reporting and disclosure of certain

final adverse actions taken against health care providers, suppliers, or practitioners. During FY2001, the agency began reporting disciplinary action to HIPDB.

- B. Staff monitored the Federal Department of Health and Human Services development of regulations to implement the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The final rule took effect on April 14, 2001, but most covered entities, including pharmacies, have until April 14, 2003, to comply with the regulations.

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**EXECUTIVE DIRECTOR**

5. To personally participate and represent Board policies and programs to local, state, and national pharmacy, health-related, and consumer organizations during FY2001.

**Status:** ACCOMPLISHED

**Comment:** This objective was accomplished through the following activities:

- A. The Executive Director was re-elected the Vice-Chair of the Health Professions Council.
- B. The Executive Director gave 10 interviews to the press as follows:

Date	Media / Subject
10/13/00	Telephone interview with Candy Cushman of World Magazine regarding Internet Pharmacy
1/22/01	E-Mail interview with Carol Ukens of Drug Topics regarding pharmacists lunch breaks
1/23/01	E-Mail interview with Carol Ukens of Drug Topics regarding fingerprint imaging of Medicaid patients
4/5/01	Interview with Fox4 TV Dallas regarding Internet Pharmacy
5/8/01	Interview with Fox News TV Houston regarding dispensing errors
5/9/01	Interview with Jay Carter KVUE TV Austin regarding disposal of confidential information by pharmacies
5/21/01	E-Mail Interview with Carol Ukens regarding theft of high cost drugs
7/13/01	Interview by Austin American Statesman regarding theft of oxycodone
7/26/01	Interview by American Medical News regarding oxycodone
8/3/01	Interview by CBS 11 TV Dallas/Fort Worth regarding dispensing errors

- C. The Executive Director gave 9 presentations to 1,230 persons as indicated below.

Date	Name of Association / Location of Meeting	Attendance (approx.)
9/17/00	Board of Pharmacy Update, University of Texas Postgraduate Seminar — Austin	500
10/8/00	University of Texas Law Class — Austin	65
10/14/00	Update on Pharmacy Laws and Rules, Central Texas Society of Health-System Pharmacists — San Antonio	75
4/12/01	University of Texas Pharmacy Compounding Section — Austin	40
4/20/01	Panel Presentation, Cancer Pain Management Conference — San Antonio	100
5/4/01	Update on Pharmacy Laws and Rules, West Texas Pharmaceutical Association's Annual Meeting — Fredericksburg	70

Date	Name of Association / Location of Meeting	Attendance (approx.)
7/21/01	Update on Pharmacy Laws and Rules/Board Forum, Texas Pharmacy Association's Annual Meeting – Houston	300
8/5/01	Central Fill - A Board of Pharmacy Perspective – National Association of Boards of Pharmacy District 2 Meeting – Amelia Island, Florida	60
8/23/01	Update on Pharmacy Laws and Rules – Texas Department of Health, Vendor Drug Pharmacists – Austin	20
<b>Totals</b>		<b>1,230</b>

D. The Executive Director attended 41 meetings or conferences representing the agency as indicated below.

Date	Name of Association / Location of Meeting
10/5-10/8/00	NABP 6 <sup>th</sup> District Meeting – Little Rock
10/12/00	Senate Committee on Health Services Working Group on Privacy – Austin
10/15/00	NCPA Annual Meeting – San Antonio
10/23/00	Health and Human Services Rider 12 Working Group on Recycling in Nursing Homes – Austin
11/6/00	Health Professions Council Meeting – Austin
11/9-11/10/00	University of Texas Pharmaceutical Foundation Advisory Committee – Austin
11/21/00	Meeting with Representative Maxey to discuss Automated Dispensing Legislation – Austin
11/27/00	Meeting with staffs of Senator Nelson and Representative Maxey to discuss Automated Dispensing – Austin
11/27/00	Meeting with Senator Moncrief's staff regarding Telepharmacy – Austin
11/29-11/30/00	Summit 2000: Better Medication Outcomes through Healthcare Collaboration
1/8/01	Meeting with Representative Maxey's staff to discuss Pharmacist Profiles – Austin
1/17/01	Senate Finance Committee – Austin
1/29/01	Subcommittee on Regulatory Agencies of the House Appropriations Committee – Austin
2/2/01	Meeting with Representatives Maxey and Kitchen regarding Medical Privacy Legislation – Austin
2/6/01	Subcommittee on Regulatory Agencies of the House Appropriations Committee – Austin
2/12/01	Subcommittee on Regulatory Agencies of the House Appropriations Committee – Austin
2/12/01	Senate State Affairs Committee Meeting regarding S.B. 441
2/13-2/14/01	Texas Pharmacy Congress Meeting – Austin

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**EXECUTIVE DIRECTOR**

<b>Date</b>	<b>Name of Association / Location of Meeting</b>
2/20/01	House Appropriations Committee Hearing — Austin
2/26/01	Senate Finance Committee Hearing — Austin
2/26/01	Texas Higher Education Coordinating Board Residency Advisory Committee Meeting — Austin
2/27/01	Senate Nominations Committee Hearing — Austin
3/14/01	House Public Health Committee Meeting on H.B. 93, 99, 100, 611, and 667 — Austin
3/15/01	Senate Health and Human Services Committee Meeting on S.B. 65 and 98 — Austin
3/22/01	Senate Health and Human Services Committee Meeting on S.B. 768 — Austin
4/1-4/3/01	Texas Health-System Pharmacists Annual Meeting — Austin
4/2/01	Texas Pharmacy Day Seminar — Austin
4/11/01	House Public Health Committee Hearing on H.B. 2128 and H.B. 3454 — Austin
4/18/01	Meeting with Senator Nelson's staff regarding registration of pharmacy technicians — Austin
4/19/01	Meeting with Representatives Gutierrez and Maxey regarding S.B. 98 — Austin
4/20/01	Meeting with Representative Gutierrez and Maxey regarding S.B. 98 — Austin
4/24/01	Conference Committee on S.B. 1 — Austin
4/26-27/01	University of Texas Pharmaceutical Foundation Advisory Council Meeting — Austin
4/26/01	Meetings with Senator Van de Putte and Representative Hopson — Austin
6/4/01	Health Professions Council Meeting — Austin
6/12/01	Meeting with Department of Information Resources regarding Information Officers — Austin
6/27/01	Meeting with Representative Maxey regarding H.B. 2408 — Austin
6/29/01	Health Professions Council Meeting regarding H.B. 187 — Austin
7/17-18/01	Texas Pharmacy Congress Meeting - Houston
7/18-22/01	Texas Pharmacy Association's Annual Meeting - Houston
8/5-6/01	National Association of Boards of Pharmacy's District 2 Annual Meeting - Amelia Island, Florida

6. To act as the Board's liaison to the pharmacy professional associations throughout FY2001.

**Status: ACCOMPLISHED**

**Comment:** The Executive Director attended numerous meetings of the professional associations and committees of the associations to serve as a liaison to the Board as follows:

Date	Name of Association / Location of Meeting
11/9-10/00	University of Texas Pharmaceutical Foundation Advisory Committee – Austin
11/29-30/00	Summit 2000: Better Medication Outcomes through Healthcare Collaboration
2/13-14/01	Texas Pharmacy Congress Meeting – Austin
4/1-3/01	Texas Health-System Pharmacists Annual Meeting – Austin
4/2/01	Texas Pharmacy Day Seminar – Austin
4/26-27/01	University of Texas Pharmaceutical Foundation Advisory Council Meeting – Austin
7/17-18/01	Texas Pharmacy Congress Meeting – Houston
7/18-22/01	Texas Pharmacy Association's Annual Meeting – Houston

7. To continue to take a proactive role in the operation of the Health Professions Council in cooperation with other member health regulatory agencies, the Legislature, and the Governor's Office during FY2001.

**Status:** ACCOMPLISHED

**Comment:** At the August 2000 meeting, the Executive Director was elected Vice Chair of HPC. In addition, the agency's Information Resource Manager, Steve Rapp, served as chair of the Health Professions Council (HPC) Committee to implement an imaging system for HPC agencies. This committee completed this project in FY2001, and the system is fully operational. As further validation of the benefits of this particular imaging system, this imaging system was selected as Exhibitor Best Solution for the Government Technology Conference in 2001. (See also Administrative Services Ongoing Objective #7.)

8. To continue to support and participate in the Texas Pharmacy Congress throughout FY2001.

**Status:** ACCOMPLISHED

**Comment:** The Executive Director attended two of the four Texas Pharmacy Congress (TPC) meetings held during this fiscal year. Director of Professional Services Steve Morse attended the November 2001 meeting of the Congress. The Executive Director also participated in the TPC-initiated Summit 2000: Better Medication Outcomes through Healthcare Collaboration. This conference was attended by representatives of pharmacy, medicine, nursing, and hospitals with the goal of beginning to create a system that insures minimization of medication errors.

9. To recommend changes to the Texas Pharmacy Act and rules, which 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 Board for consideration for action throughout FY2001.

**Status:** ACCOMPLISHED

**Comment:** Because FY2001 included a legislative session, no additional recommendations for changes to the Pharmacy Act were made. During FY2001, the Executive Director spent considerable time drafting legislation to implement the recommendations for changes to the Pharmacy and Controlled Substances Acts that were approved in FY2000. The following chart indicates the status of those recommendations.

Recommendations That Passed During the 77 <sup>th</sup> Session	
Amend the definition of "dangerous drug" in Section 483.001(2) of the Dangerous Drug Act and Section 551.003(12) of the Pharmacy Act to match the federal definition.	S.B. 768
Amend the definition of a pharmacist-intern [Section 551.003(30)] to delete the requirement that an internship program be school-based.	S.B. 768
Amend the Pharmacy Act to delete the requirement for a two-line prescription format and require a physician to write "Brand Medically Necessary" across the face of the prescription when the physician does not want substitution to occur.	S.B. 768
Amend Section 551.003(d) and Section 551.005 of the Texas Pharmacy Act to allow the Board to maintain jurisdiction over an individual whose license is expired when an investigation is pending.	S.B. 768
Amend Chapter 565 of the Act to clarify that the Chapter also applies to removal of restrictions on a licensee as well as reinstatement of a license.	S.B. 1360
Amend Section 483.021(a) of the Dangerous Drug Act to make it applicable to all prescriptions.	S.B. 768
Amend Section 565.001(a)(4) to allow the Board to discipline a licensee who has abused drugs.	S.B. 768
Amend Section 559.053 of the Pharmacy Act to increase the number of continuing education hours from 12 per year to 15 per year.	S.B. 768
Amend Section 560.002 of the Texas Pharmacy Act to prohibit the use of the term "apothecary" in advertising a facility other than a pharmacy.	S.B. 768

Recommendations NOT Passed During the 77 <sup>th</sup> Session	
Support the transfer of \$850,000 from the Board of Pharmacy fund balance in the General Fund to the Higher Education Coordinating Board to fund the Roberta High Memorial Pharmacy Residency Program.	S.B. 1 (deleted during session)
Amend Section 555.004(b) of the Pharmacy Act to remove the restriction that faculty members of colleges of pharmacy can't serve as TSBP Board Members.	S.B. 768 (deleted during session)
Amend Section 559.003(b) of the Pharmacy Act to give the Board the authority to have discretion in setting the delinquent fees for a pharmacist's license.	N/A not introduced
Authorize the agency to exceed the full-time equivalent employment cap for positions associated with the Summer Intern Program of the Board of Pharmacy.	N/A
Amend the Act to make a second order against a person who has a chemical, physical, or mental impairment a non-confidential order.	N/A Deleted during the session
Amend Section 565.001 and 565.002 of the Pharmacy Act to allow the Board to discipline a licensee who has been convicted of <u>or received deferred adjudication</u> for a misdemeanor or a felony involving a violation of the Dangerous Drug or Controlled Substances Acts	N/A Not Filed
Amend Section 565.001 and 565.002 of the Pharmacy Act to allow the Board to discipline a <u>pharmacy technician</u> who has been convicted of or received deferred adjudication for a misdemeanor or a felony involving a violation of the Dangerous Drug or Controlled Substances Acts.	N/A Not Filed
Return the ability to cancel a license.	N/A Not Filed
Clarify that pharmacists have professional discretion when deciding to dispense a prescription or medication order.	N/A Not Filed

10. To conduct periodic reviews and annual evaluations of Division Directors and the Executive Assistant and to monitor evaluations of employees in all Board Divisions throughout FY2001.

**Status:** ACCOMPLISHED

**Comment:** Performance evaluations were conducted for the Division Directors and the Executive Director's Executive Assistant as indicated below.

Employee	Date of Evaluation
Kerstin Arnold	5/31/01
Carol Fisher	6/4/01
Steve Morse	5/30/01
Cathy Stella	5/27/01
Kay Wilson	5/29/01

*(See Administrative Services Ongoing Objective #13, Enforcement Ongoing Objective #15, Legal Ongoing Objective #11, and Professional Services Ongoing Objective #12 for details of other staff evaluations.)*

11. To provide the Board's Executive Committee information necessary to conduct performance evaluation of the Executive Director by August 31, 2001.

**Status:** ACCOMPLISHED

**Comment:** A self and staff evaluation of the Executive Director was presented to the Board at its August 2001 meeting. The Board conducted the performance evaluation at this meeting.