

APPENDIX E

FISCAL YEAR 2007-2011 WORKFORCE PLAN

I. Agency Overview

The Texas State Board of Pharmacy is an independent state health regulatory agency, operating under the authority of its enabling legislation, the Texas Pharmacy Act (Texas Occupations Code Ann., Chapters 555-566 and 568-569) and the Texas Dangerous Drug Act (Health and Safety Code, Chapter 483).

The policy-making body of the agency is a nine-member Board appointed by the Governor, with concurrence of the Senate, for staggered six-year terms. Six members must have been registered pharmacists in Texas for five years immediately preceding appointment, be in good standing with the Board, and continue to actively practice pharmacy while serving. In addition, the Board must have representation for licensed pharmacists who are primarily employed in community and institutional pharmacies. Three members of the Board must be representatives of the general public (i.e., non-pharmacist, consumer representatives).

In terms of the coverage of regulation, the Board has the responsibility of regulating three distinct but interrelated and inseparable elements - the persons who dispense prescription drugs to the public (pharmacists) and who assist the pharmacist (pharmacy technicians); the place where prescription drugs are dispensed to the public (pharmacies); and the distribution of dangerous drugs (prescription drugs that are not classified as controlled substances). In addition, the Board has responsibility for the administration and the enforcement of the Texas Pharmacy Act and Texas Dangerous Drug Act.

The agency licenses approximately 22,000 pharmacists, 6,100 pharmacies, and 30,000 pharmacy technicians over a land area of approximately 270,000 square miles. The agency's limited numbers of Compliance and Investigative staff are challenged in the regular monitoring of these licensees by travel distances. All geographic regions are served by the agency. The field staffs of six Compliance Officers/Inspectors and six Investigators are assigned regions that encompass the entire state, including the Texas border regions. In addition, medically under-served areas present specific challenges for comprehensive inspection/investigative efforts. These areas are defined as locales where medical care and, specifically, pharmacy services may be inaccessible due to distance and lack of transportation, and lack of (or inadequate) insurance coverage. Such situations may occur in rural, sparsely populated areas of the state and, conversely, in some densely populated urban areas of Texas.

The Executive Director/Secretary serves as the executive officer of the agency, and as such is an ex-officio member of the Board. The Executive Director/Secretary is responsible for advising the Board on policy matters, implementing Board policy, and managing the agency on a day-to-day basis.

The agency operates under a modified system of Management-By-Objectives (MBO). Goals and objectives are reviewed and approved annually by the Board Members. These objectives are directly tied to the agency's *Strategic Plan* and "operationalize" the *Strategic Plan*. The Executive Director manages the staff to accomplish the adopted objectives.

Regarding management structure, the Director of Administrative Services and Licensing is responsible for overall supervision of the Licensing and Administrative Services programs. The Directors of Enforcement and Professional Services, and the General Counsel are responsible for their respective programs and personnel. Information program services are shared among the divisions of the agency. An organizational chart of the agency can be found in the Strategic Plan, *Appendix B*.

A. Agency Mission

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.

B. Strategic Goals and Objectives

<p>GOAL 1</p>	<p>We will establish and implement reasonable standards for pharmacist and pharmacy technician education and practice, and for the operations of pharmacies to assure that safe and effective pharmaceutical care is delivered to the citizens of Texas [Texas Pharmacy Act (Occupations Code, Sec. 555-566 and 568-569)].</p>
<p>Objective</p>	<p>Through each year of the <i>Strategic Plan</i>, to operate a licensure system for pharmacists, pharmacy technicians, and pharmacies that will assure that 100% of pharmacists, 100% of pharmacy technicians, and 100% of pharmacies meet minimum licensing standards.</p>
<p>Strategy</p>	<p>Operate a timely, cost-effective application and renewal licensure system for pharmacies and pharmacists, and pharmacy technicians.</p>
<p>GOAL 2</p>	<p>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. 551-569), and Health and Safety Code, Chapter 483, Dangerous Drugs].</p>

Objective	In each year of the <i>Strategic Plan</i> : to deter and reduce the incidence of violations of the law through compliance inspections of 50% of the licensed pharmacies in Texas; through technical assistance to licensees; through education and increased licensee access to information; and to resolve/close complaints received within 200 days of receipt.
Strategy 1	Emphasize preventive enforcement by conducting compliance inspections of pharmacies, promote voluntary compliance by providing information, education and technical assistance to licensees; and protect public health and safety by receiving, investigating, and resolving complaints, disciplining licensees, and monitoring compliance with disciplinary orders resulting from board adjudication.
Strategy 2	Operate a Peer Assistance Program by monitoring the growth, development, and compliance of a program to aid pharmacists and eligible pharmacy students impaired by chemical abuse or mental or physical illness, and monitor the success of individuals in the program.

C. Anticipated Changes in Strategies

The Texas State Board of Pharmacy (TSBP) has identified several agency initiatives that are contained in the *Strategic Plan*, some of which may significantly impact the agency’s business and workforce. A sample of these initiatives is listed below (see the TSBP *Strategic Plan* for a complete listing, found under each *Policy Issue*).

- Develop a compliance inspection process based on the concept of outcome-based regulation.
- Actively participate with other healthcare providers, legislators, and regulators in establishing initiatives regarding protecting a patient’s confidential healthcare information; initiatives regarding medication errors; and initiatives to advance the safe and appropriate use of technology in pharmacy practice.
- Establish minimum standards for pharmacy technician training programs.
- Be an active participant with colleges of pharmacy and professional associations in developing plans to reduce the shortage of pharmacists and increase internship opportunities.
- Actively seek legislative authority to allow the agency to participate in the Self-Directed Semi-Independent Agency Project Act.
- Remain progressive in initiatives focused on enhanced patient outcomes, with continued examination of those issues that are truly important, embracing current technology, gaining broad-based input, and acting aggressively and fairly to hold pharmacists accountable for the patient care they give.

II. Current Workforce Profile (Supply Analysis)

A. Critical Workforce Skills

There are several critical skills and knowledge areas that are important to the agency’s ability to operate. Without these skills and knowledge areas, the TSBP could not provide basic business functions. They are as follows:

- extensive knowledge of healthcare systems and the practice of pharmacy and drug distribution, including legal and regulatory requirements;
- extensive knowledge of state administrative rules and regulations, including the management of human resources, budgetary, and appropriations process;
- extensive knowledge of information resource systems, including web-based applications;
- thorough knowledge of the Texas Administrative Procedures Act, rules of evidence, and other administrative and criminal laws and procedures;
- thorough knowledge of investigative procedures; and
- strong interpersonal skills and customer service.

Additionally, a license to practice pharmacy by the TSBP is a critical requirement for many of the agency's positions, including the Executive Director/Secretary.

B. Workforce Demographics

The following **Table 1** profiles the agency’s workforce as of August 31, 2005. The TSBP workforce is comprised of 21% males and 79% females. 70 percent of our employees are over the age of 40 and 48% of employees have less than five years agency service. These percentages are high enough to warrant strong training programs to ensure our employees are able to assume key positions in the event of unexpected turnover.

Table 1

Workforce Breakdown																																		
<p>Gender</p> <table border="1"> <tr><th>Gender</th><th>Percentage</th></tr> <tr><td>Males</td><td>21%</td></tr> <tr><td>Females</td><td>79%</td></tr> </table>	Gender	Percentage	Males	21%	Females	79%	<p>Age</p> <table border="1"> <tr><th>Age Group</th><th>Percentage</th></tr> <tr><td>60 yrs and over</td><td>8%</td></tr> <tr><td>Under 30 yrs</td><td>10%</td></tr> <tr><td>50 - 59 yrs</td><td>27%</td></tr> <tr><td>30 - 39 yrs</td><td>21%</td></tr> <tr><td>40 - 49 yrs</td><td>34%</td></tr> </table>	Age Group	Percentage	60 yrs and over	8%	Under 30 yrs	10%	50 - 59 yrs	27%	30 - 39 yrs	21%	40 - 49 yrs	34%	<p>Agency Tenure</p> <table border="1"> <tr><th>Tenure Group</th><th>Percentage</th></tr> <tr><td>20 yrs and over</td><td>8%</td></tr> <tr><td>Less than 2 yrs</td><td>31%</td></tr> <tr><td>15 to 19 yrs</td><td>2%</td></tr> <tr><td>10 to 14 yrs</td><td>15%</td></tr> <tr><td>5 to 9 yrs</td><td>27%</td></tr> <tr><td>2 to 4 yrs</td><td>17%</td></tr> </table>	Tenure Group	Percentage	20 yrs and over	8%	Less than 2 yrs	31%	15 to 19 yrs	2%	10 to 14 yrs	15%	5 to 9 yrs	27%	2 to 4 yrs	17%
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The growth in Texas' minority populations may have significant ramifications for the agency's workforce, specifically in the pharmacist (Compliance/Enforcement Officer) category. Attempts to recruit qualified minority pharmacists have been difficult due to the significant differences in salaries compared to private sector employment, and to the pool of licensed pharmacists who are minorities. **Table 2** shows a comparison of race distribution among the overall Texas civilian labor force, the Texas pharmacist population, and the agency non-manager pharmacist positions for FY2005.

Table 2

Race	Texas Population Race Distribution	Texas Pharmacists Population Race Distribution	TSBP-Non Manager Pharmacists Population Race Distribution
Anglo	40%	64%	67%
Hispanic	36%	09%	0%
Black	11%	12%	33%
Other	13%	15%	0%

The agency's overall workforce profile, as shown in **Table 3**, indicates that the agency needs to increase its efforts to recruit and retain qualified minority applicants at all levels of job categories.

Table 3

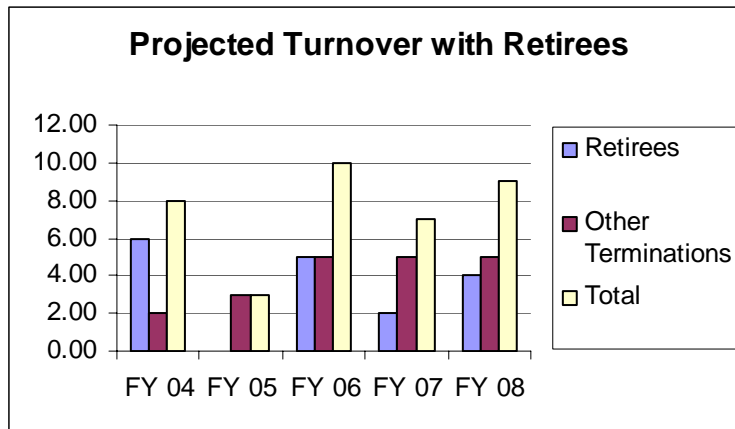
Total Agency Employees	WHITE		BLACK		HISPANIC		OTHER		TOTAL		
	M	F	M	F	M	F	M	F	M	F	Tot
ADMINISTRATORS	0	5	0	0	0	0	0	0	0	5	5
PROFESSIONALS	5	9	0	1	1	0	0	0	6	10	16
PARA-PROFESSIONALS	5	12	0	1	0	9	0	1	5	23	28
ADMIN SUPPORT	0	1	0	0	0	4	0	0	0	5	5
TOTALS	10	27	0	2	1	13	0	1	11	43	54

**Data reflects actual staff as of 8/31/05.*

C. Employee Turnover

Agency employee turnover decreased from 25% in FY2000 to 7.6% in FY2005; however, the turnover in pharmacist staff is a much more significant number and has more serious consequences. Turnover of pharmacist staff has been high – 57% in FY2001, 60% in FY2003, and 33.33% in FY2004. Even more dramatic are the number of pharmacist service years that have been lost - in FY2001, a total of 32.2 years of experience, with one pharmacist taking nearly 26 years of agency experience with him. In FY2003, a total of 52 pharmacist service years were lost. The agency is rapidly being depleted of talent in this crucial area – from a total 10 pharmacists (non-executive) in FY2000, to a total of 4 pharmacists (non-executive) in FY2006. This loss of pharmacist staff is especially disturbing since the pharmacist staff are a part of the succession for the Executive Director position, which is statutorily required to be a pharmacist. The reason for the high turnover rate can be directly attributed to salaries – the state simply cannot keep pace with the salaries offered to incoming pharmacist graduates.

D. Retirement Eligibility



Retirement accounted for 12% of separations in the last two years, resulting in a combined loss of 25 years of institutional knowledge and expertise with the TSBP. Retirement will continue to be a key reason for leaving the agency within the next five years in that eleven (11) additional staff members will be eligible for retirement during this time frame. These eleven (11) staff members include three (3) Administrators and six (6) Professional staff members, and represent a potential combined loss of 179 years of institutional knowledge and expertise with the TSBP. The net result from FY2004 - FY2010, could be a 23% loss of the total TSBP workforce due to retirement, and a combined loss of 179 years of experience.

III. Future Workforce Profile (Demand Analysis)

One key factor that continues to affect the ability of the agency to serve and protect the public interest is the increased demand for agency services in every area of its operation. Dramatic increases in the demand for licensing, enforcement, and information services are well-documented throughout the *Strategic Plan* and in the agency's budget requests. This continued increase in demand for services, together with the increase in the complex nature of modern health and pharmaceutical care, is taxing the agency's ability to respond not only to future challenges, but to maintain its current level of service.

The agency believes that additional funding is needed to carry out its mission, particularly in light of the budget cutbacks mandated by the 78th Texas Legislature and the new agency program to register pharmacy technicians in FY2004. The Enforcement Division currently has only six field Investigators and six inspectors for the entire state, resulting in each field employee having vast territories to regulate.

The agency currently licenses approximately 5,730 Texas pharmacy locations. Our goal is to inspect every location approximately every two years; however, with only six field Compliance/Enforcement Officers, in FY2005, we were able to inspect approximately 1,900 pharmacy locations. At this rate, it will take three years to inspect every pharmacy location in Texas.

In addition, the pharmacy technician registration program has doubled the number of persons being regulated by the agency and has stretched the regulatory program's employees to the breaking point. If the agency is to accomplish its mission and be *proactive* rather than *reactive* in its mission to protect the public health, it must be funded at an adequate level. Failure to receive this funding will severely impact the agency's ability to provide quality customer service, information, and protection to the citizens of Texas.

IV. Gap Analysis

After analyzing the workforce information, TSBP has determined that there are two main gaps between the agency’s workforce supply and demand that must be addressed.

- Key positions in management, including the Executive Director/Secretary position, are not being targeted for succession planning although three of the five management staff have been identified as eligible for retirement within the next five years.
- The TSBP cannot attract and retain qualified pharmacists due to the significant differences in salaries compared to private sector employment.

V. STRATEGY DEVELOPMENT

<i>GAP</i>	<i>LACK OF SUCCESSION PLANNING FOR THE EXECUTIVE DIRECTOR/SECRETARY AND KEY MANAGEMENT STAFF</i>
Goal	Develop a competent, well-trained workforce.
Rationale	The training and development of current employees is critical to the success of the agency. TSBP should continue analyzing existing staff to determine which employees demonstrate the potential or interest to develop new competencies and assume new or modified positions.
Action Steps	<ul style="list-style-type: none"> ■ Request additional funding in the next legislative session to increase the compensation of the exempt line item position of Executive Director/Secretary. ■ Expand training programs to include programs such as effective leadership and contemporary management training skills, effective project management, and assessing and managing risks. ■ Conduct an assessment of the level of risk facing the agency regarding the potential loss of knowledge particularly in areas where loss is likely due to the imminent loss of key employees.
<i>GAP</i>	<i>TSBP CANNOT ATTRACT AND RETAIN QUALIFIED PHARMACISTS</i>
Goal	Become an employer of choice.
Rationale	If the agency is to recruit and retain qualified pharmacists, TSBP must take affirmative actions with the legislature to increase agency appropriations to secure qualified pharmacists. TSBP will also continue to re-examine its organizational structure and requirements to see if other job classifications could meet the needs of these positions.
Action Steps	Request additional appropriations to enhance employee compensation, especially in the recruitment and retention of pharmacists.