

APPENDIX F

FISCAL YEAR 2009-2013 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 24,056 pharmacists, 6,364 pharmacies, and 47,351 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 seven 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

GOAL 1	To establish and implement reasonable standards for pharmacist, pharmacy technician, and pharmacy technician trainee 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)].
Objective	Continue to operate a licensure system for pharmacists, pharmacy technicians, pharmacy technician trainees, and pharmacies that will assure that 100% of pharmacists, 100% of licensees and registrants meet minimum licensing standards through 2013.
Strategy	Operate a timely, cost-effective application and renewal licensure system for pharmacies and pharmacists, pharmacy technicians and pharmacy technician trainees.
GOAL 2	To 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, pharmacy technicians and pharmacy technician trainees; 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].

Objective	Through 2013, 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*).

- Work with associations and the Legislature to amend the Pharmacy Act to give the Board the authority to mandate that all pharmacies implement continuous quality improvement programs that include peer review.
- Work in partnership with other state and national pharmacy regulatory organizations and professional associations to ensure that the Act continues to provide the greatest protection for the citizens of Texas while not inhibiting the implementation of new and progressive healthcare and pharmaceutical care systems.
- Actively participate with other healthcare providers, legislators, and regulators in establishing initiatives to advance the safe and appropriate use of technology in pharmacy practice.
- Be an active participant with colleges of pharmacy and professional associations in developing plans to reduce the shortage of pharmacists and increase internship opportunities.
- 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 provide.

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:

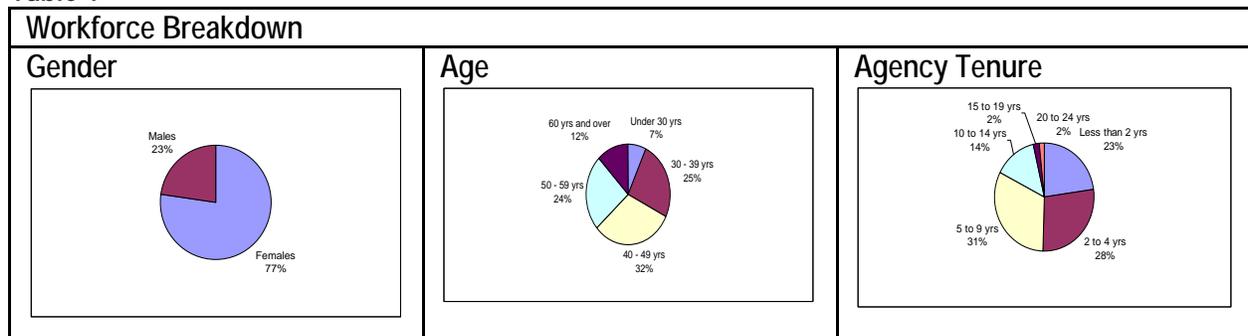
- extensive knowledge of healthcare systems and the practice of pharmacy and drug distribution, including legal and regulatory requirements;
- extensive knowledge of state administrative rules and regulations, including the management of human resources, budgetary, and appropriations process;
- extensive 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, 2007. The TSBP workforce is comprised of 23% males and 77% females. 68 percent of our employees are over the age of 40 and 49% of employees have less than five year's 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



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 FY2006-7.

Table 2

Race	Texas Population Race Distribution	Texas Pharmacists Population Race Distribution	TSBP-Non Manager Pharmacists Population Race Distribution
Anglo	48.3%	60%	67%
Hispanic	35.7%	09%	0%
Black	11.4%	13%	33%
Other	4.6%	18%	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	6	12	0	1	1	10	0	2	7	25	32
ADMIN SUPPORT	0	1	0	1	0	2	0	0	0	4	4
TOTALS	11	27	0	3	2	12	0	2	13	44	57

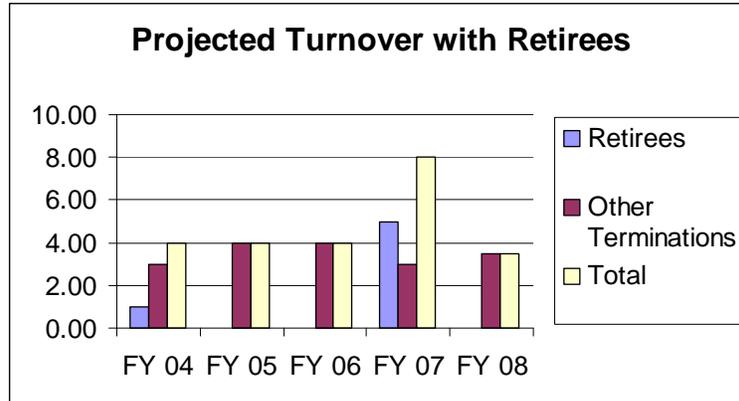
**Data reflects actual staff as of 8/31/07.*

C. Employee Turnover

Agency employee turnover increased from 7.2% in FY2006 to 14.2% in FY2007. 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-management) in FY2000, to a total of four pharmacists (non-management) in FY2006 and FY2007. This loss of pharmacist staff is especially disturbing since the pharmacist staffs 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 the agency lack of funding for salaries. The State Classification Office has reviewed the salaries for pharmacists and made recommendations for increasing those salaries. During the 2007 Legislative Session the legislature increased the salary range for a Pharmacist II to \$71,405 - \$115,106, and the range for a Pharmacist III to

\$102,007 - \$133,225. However, even though the Legislature established new salary ranges, the agency was not funded to hire pharmacists at the increased salaries or to give equity adjustments to currently employed pharmacists.

D. Retirement Eligibility



Retirement accounted for 42% of separations in the last two years and will continue to be a key reason for leaving the agency. Within the next five years (5) additional staff members will be eligible for retirement. These five (5) staff members include two (2) administrators and three (3) professional staff members, and represent a potential combined loss of 88 years of institutional knowledge and expertise with the TSBP.

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 programs in FY2004 and FY2007 to register pharmacy technicians and technician trainees. These new programs have resulted in a 166% increase in licensees since FY2003.

The Enforcement Division currently has only seven field Investigators and six Compliance Officers/Inspectors for the entire state, resulting in each field employee having vast territories to regulate. The agency currently licenses approximately 6,364 Texas pharmacy locations. Our goal is to inspect every location approximately every two years; however, with only six field Compliance/Inspection Officers, in FY2007, we were able to inspect approximately 2,082 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 immediately.
- 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.