

State Board of Pharmacy

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- Executive's consolidation plan not enacted
- Dangerous drugs database in the works

OVERVIEW

Duties and Responsibilities

The State Board of Pharmacy is responsible for administering and enforcing the Pharmacy Practice Act and Dangerous Drug Distribution Act (Chapter 4729. of the Revised Code), the Controlled Substances Act (Chapter 3719. of the Revised Code), the Pure Food and Drug Act (Chapter 3715. of the Revised Code), and the Criminal Drug Law (Chapter 2925. of the Revised Code). The Board is a nine-member panel composed of eight pharmacists and one person representing the public who is at least 60 years old. Each member serves a four-year term and may be re-appointed one time at the Governor's discretion. In addition to the nine Board members, it carries enough annual funding to employ a staff of 47 full-time equivalents (FTEs) to perform licensure and enforcement activities. Of the 47 FTEs, 24 (9 pharmacists and 15 former law enforcement officers) are investigative field agents. The Board's activities can be divided into licensure and drug law enforcement, as described in more detail below.

Licensure

The licensure activities of the Board include the testing and certification of pharmacists and pharmacy interns entering the profession in Ohio, as well as annually renewing the licenses of practicing pharmacists. In addition, the Board licenses sites where dangerous drugs (primarily those requiring a prescription) are purchased and stored prior to the delivery to a patient. The site licenses are issued by the Board as either a terminal distributor of dangerous drugs (mainly retail type settings) or a wholesale distributor of dangerous drugs. Terminal distributor sites include, but are not limited to, retail pharmacies, hospitals, nursing homes, prisons and jails, emergency medical squads, clinics, medical gas distributors, and so forth.

Drug Law Enforcement

The Board is the only state agency that has statewide jurisdiction to enforce the criminal drug laws, and, as a result, is sometimes responsible for criminal investigations and prosecutions of doctors, nurses, dentists, veterinarians, or other individuals. By enforcing the laws and rules regulating drugs and pharmacists, the Board may deny, suspend, or revoke a license and place a pharmacist or pharmacy intern on probation. Such action may be taken for reasons that include: conviction of a misdemeanor committed in the practice of pharmacy, or any felony; dishonesty or unprofessional conduct in the practice of pharmacy; drug or alcohol addiction that causes a practitioner to be unfit for practice; and any violation of provisions under Chapters 2925., 3719., or 4729. of the Revised Code.

Consolidation Plan

The executive budget recommended the Board be consolidated within the Department of Health not later than July 1, 2006. That recommendation was not enacted, thus its status as an independent professional and occupational licensing board remains unchanged.

Dangerous Drugs Database

Sub. H.B. 377 of the 125th General Assembly, effective May 2005, (1) permits the State Board of Pharmacy to establish and maintain an electronic database to monitor the misuse and diversion of controlled substances and certain dangerous drugs, and (2) if the Board establishes and maintains such a database, requires each pharmacy licensed as a terminal distributor of dangerous drugs that dispenses drugs to patients in the state (as specified in rules adopted by the Board) and each wholesale distributor of dangerous drugs that delivers drugs to prescribers in the state to submit to the Board for entry into the database certain prescription and purchase information. The bill is silent on how the drug database and its related costs are to be funded.

As of this writing, the Board's plan is to utilize two federal grant awards totaling \$530,000 for the purpose of starting up the drug database. These moneys will be used to: (1) create and fill two new staff positions (a database administrator and a computer systems manager), (2) purchase necessary supplies and equipment, and (3) provide educational training to prescribers, pharmacists, and law enforcement agencies. It is unclear as to how the ongoing operating expenses associated with the drug database will be paid for once the federal grant moneys awarded to date have been fully expended.

Also of note is the fact that all of the states bordering Ohio and several other nearby states have some form of drug database in operation. The Board has indicated that, from its perspective, the practical effect of the absence of such a drug database in Ohio has been to increase the number of drug fraud cases in Ohio because individuals are crossing into the state to fill prescriptions and to conduct illegal business.

Agency in Brief

The following table selectively summarizes Board appropriations and staffing information. As noted below, the Board operates exclusively on non-GRF funding; it receives no GRF appropriations.

State Board of Pharmacy In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2006	2007	2006	2007	
47	\$5.73 million	\$5.48 million	\$0	\$0	Am. Sub. H.B. 66

*Employee count obtained from the Department of Administrative Services (DAS) payroll reports as of June 2005.

Vetoed Provisions

The Board is not directly affected by any of the items contained in Am. Sub. H.B. 66 that were vetoed by the Governor.

ANALYSIS OF THE ENACTED BUDGET

For budget purposes, as detailed below, the State Board of Pharmacy is considered a single program series agency and its activities are not subdivided into separate programs.

Program Series 1

License, Registration, and Enforcement

Purpose: To administer and enforce the laws governing the legal distribution of drugs and the practice of pharmacy.

The following table shows the two line items that are used to fund the Board's licensing, registration, and enforcement activities, as well as the enacted budget funding levels.

Fund	ALI	Title	FY 2006	FY 2007
General Services Fund				
4A5	887-605	Drug Law Enforcement	\$75,550	\$75,550
4K9	887-609	Operating Expenses	\$5,650,537	\$5,400,537
General Services Fund Subtotal			\$5,726,087	\$5,476,087
Total Funding: Licensing/Registration/Enforcement			\$5,726,087	\$5,476,087

This analysis focuses on the Board's services and activities that can be grouped as follows.

Licensure and Drug Law Enforcement

Program Description: The Board's core activities center on the licensing of all persons who distribute dangerous drugs and sites where dangerous drugs are stored and the enforcement of certain drug laws.

Funding Sources: (1) licensing and other fees collected from pharmacists, pharmacy interns, distributors of dangerous drugs, and manufacturers of controlled substances, and (2) various fines and bail or property forfeitures

Implication of the Enacted Budget: From the Board's perspective, the amount of funding appropriated for FYs 2006 and 2007 should cover its future cost of maintaining current service and staffing levels for licensure and drug law enforcement. Moneys have not, however, been appropriated for the dangerous drugs database that the Board is permitted to establish and maintain pursuant to Sub. H.B. 377. The Board plans to seek Controlling Board approval to expend federal funds that it has been awarded to establish the drug database.