

Minnesota Board of Pharmacy


Presentation to the Minnesota Sunset Advisory Commission
December 8, 2011



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Mission


The Minnesota Board of Pharmacy exists to promote, preserve, and protect the public health, safety, and welfare by fostering the safe distribution of pharmaceuticals and the provision of quality pharmaceutical care to the citizens of Minnesota.



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Is the mission still important?

- Drugs that can cure, can also kill
- Unscrupulous individuals endanger the public by acting in unethical, incompetent and illegal ways.




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Is the mission still important?


Yes, it is.

- Drugs today are even more powerful than they were in the late 19th century.
- A small percentage of licensees and registrants still behave in unscrupulous, unethical, incompetent or illegal ways.



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- **Federal considerations**
 - Prescription drugs can only be dispensed by licensed pharmacies or licensed prescribers
 - Wholesale drug distributors must be licensed by a state in order to do business within the state
 - Health care providers (including pharmacies) must be licensed in order to participate in Medicare and Medicaid
 - A state's Medicaid agency must have a Drug Utilization Board consisting of licensed physicians and pharmacists
 - Minnesota could lose \$150 million in federal matching funds for Medicaid
 - Minnesota could lose a \$375,000 federal grant for its PMP program

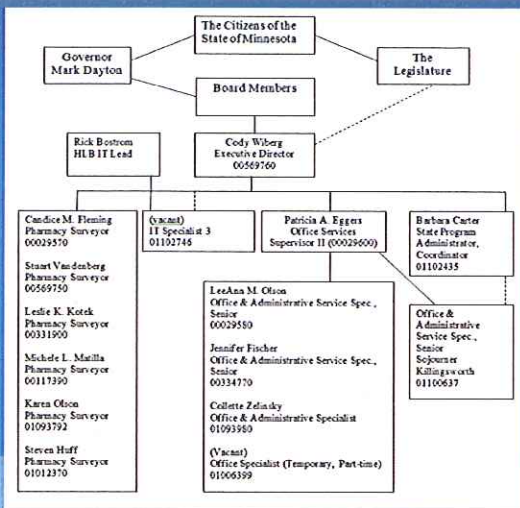


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How the Board fulfills its mission

- licensing;
- standard-setting (including promulgation of rules);
- compliance (inspections and complaint investigations);
- provision of technical assistance to elected public officials, other state agencies, federal agencies and units of local government;
- serving as a resource to the profession and the public concerning issues involving the practice of pharmacy, the distribution of drugs and the abuse of controlled substances;
- administering the state's Prescription Monitoring Program; and
- general administrative activities

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Minnesota Board of Pharmacy Six Year History of Funding	Fiscal Year					
	2006	2007	2008	2009	2010	2011
Federal Grant Revenues	\$0	\$0	\$0	\$8,468	\$224,332	\$163,099
Other Grant Revenues	\$0	\$0	\$0	\$0	\$0	\$36,010
Fees Revenues	\$1,441,783	\$1,478,013	\$1,575,281	\$1,643,853	\$1,455,764	\$1,700,893
Civil Penalty Revenues	\$500	\$1,100	\$4,300	\$50,700	\$500	\$5,100
Total Revenues	\$1,442,283	\$1,479,113	\$1,579,581	\$1,703,021	\$1,680,596	\$1,905,102
Direct Regular Expenditures	\$1,103,773	\$1,128,361	\$1,381,016	\$1,409,672	\$1,292,725	\$1,363,356
Indirect Regular Expenditures	\$128,294	\$136,726	\$138,963	\$172,270	\$221,884	\$281,184
Prescription Monitoring Program Expenditures	\$0	\$0	\$0	\$8,468	\$224,332	\$181,289
Total Expenditures	\$1,232,067	\$1,265,087	\$1,519,979	\$1,590,410	\$1,738,941	\$1,825,829
Surplus or Shortfall	\$210,216	\$214,026	\$59,602	\$112,611	-\$58,345	\$79,273




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- Operational Efficiencies (Board Specific)
 - Reduced paper, printing and postage costs
 - Made services available on the Board's Web site
 - Promulgated rule changes designed to decrease both regulatory burden and staff workload
 - Delayed replacing staff



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- Operational Efficiencies (Shared)
 - Fund Administrative Services Unit
 - Jointly negotiated new lease which resulted in lower rent
 - Share conference and work rooms
 - Share equipment – copiers/scanners, servers, folding/stuffing machine, audiovisual equipment, et cetera



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- Summary
- The Board's mission and activities are as relevant as ever
- The citizens of the state would be adversely affected if the Board's activities were eliminated
- The Board, both individually and in cooperation with the other health-licensing boards, has developed efficient processes for carrying out its activities – and will continue, on an ongoing basis, to look for additional efficiencies