

PHARMACY, BOARD OF

Annual Performance Progress Report (APPR) for Fiscal Year (2009-2010)

Proposed KPM's for Biennium (2011-2013)

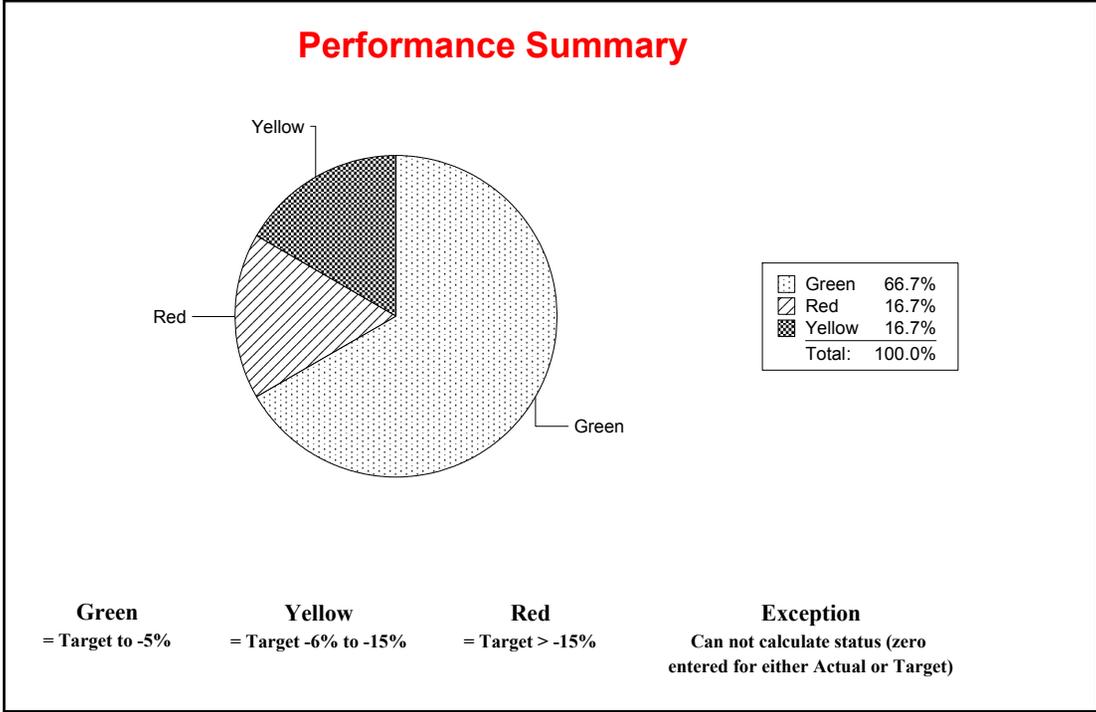
Original Submission Date: 2010

Finalize Date: 8/10/2010

| 2009-2010 KPM # | 2009-2010 Approved Key Performance Measures (KPMs) |
|--------------------|---|
| 1 | Percent of inspected pharmacies that are in compliance annually. |
| 2 | Percent of audited pharmacists who complete continuing education on time. |
| 3 | Percent of pharmacies inspected annually. |
| 4 | Average number of days to complete an investigation from complaint to board presentation. |
| 5 | Percent of Customers Rating Their Satisfaction With the Agency’s Customer Service as “Good” or “Excellent” : Overall Customer Service, Timeliness, Accuracy, Helpfulness, Expertise, and Availability of Information. |
| 6 | Board Best Practices - Percent of total best practices met by the Board. |

| New Delete | Proposed Key Performance Measures (KPM's) for Biennium 2011-2013 |
|---------------|--|
| NEW | <p>Title: Percent of investigations of complaints reported to the Board within 120 days.</p> <p>Rationale: Statute allows for 120 days from complaint to presentation to the Board. The old measure doesn't accommodate the statutory guidelines. The Board meets approximately every other month, but at least one of those meetings does not include the compliance case review, where a complaint would get presented to the Board and it can stretch as far as 83-90 days between a meeting. Additionally, depending on the complexity of the case/complaint, it may take several months to complete an investigation and obtain all the documents necessary to prepare a presentation for the board.</p> <p>We are often dealing with corporate legal departments at national and international companies (wholesalers, manufacturers, national chain drug stores etc.) Many of our cases aren't just about individuals, but rather outlets as described above. We are one of maybe 2 health professional boards that license both people and places.</p> |
| DELETE | <p>Title: Average number of days to complete an investigation from complaint to board presentation.</p> <p>Rationale: The current measure KPM 85500/#4 is not a good measurement tool for the Board. Statute allows for 120 days from complaint to presentation to the Board. Current targets for this measure are set at 75 days. The Board meets approximately every other month, but at least one of those meetings does not include the compliance case review, where a complaint would get presented to the Board and it can stretch as far as 83-90 days between a meeting. Additionally, depending on the complexity of the case/complaint, it may take several months to complete an investigation and obtain all the documents necessary to prepare a presentation for the board.</p> <p>We are often dealing with corporate legal departments at national and international companies (wholesalers, manufacturers, national chain drug stores etc.) Many of our cases aren't just about individuals, but rather outlets as described above. We are one of maybe 2 health professional boards that license both people and places.</p> <p>The Board would like to revise this measure to reflect "how many investigations of complaints are reported to the Board in less than 120 days in compliance with the statutory requirement?"</p> <p>The current measure has too many variables. Staff currently tell the Board they are still investigating complaints until they are presented. But telling them there is a complaint and presenting/resolving it are two different things.</p> |

| | |
|---|--------------------------------------|
| PHARMACY, BOARD OF | I. EXECUTIVE SUMMARY |
| Agency Mission: The mission of the Oregon State Board of Pharmacy is to promote, preserve and protect the public health, safety and welfare by ensuring high standards in the practice of pharmacy and by regulating the quality, manufacture, sale and distribution of drugs. | |
| Contact: Karen MacLean, Administrative Director | Contact Phone: 971-673-0001 |
| Alternate: Gary Schnabel, Executive Director | Alternate Phone: 971-673-0001 |



1. SCOPE OF REPORT

The Board of Pharmacy is identified as one program. Current key performance measures specifically address issues relating to the Compliance and Licensing programs in the agency as well as general overall agency performance for customer service and the Board's Best Practices. The Agency has five operational components: Licensing, Compliance, Administration/Operations, Board Member Meeting/Activities and the Pharmacy Recovery Network (PRN). The PRN program monitors pharmacy professionals and support staff (pharmacy technicians) who are recovering from alcohol or drug dependence. There are no specific performance measures for this program. This program was eliminated by 2009 HB 2345. A new program was

established through the Department of Human Services called the Health Professionals Service Program effective 7/1/2010. This report covers calendar year 2009 . The 2010 data reflects 2009 results.

2. THE OREGON CONTEXT

The Board's mandate is to promote, preserve and protect the health, safety and welfare of the citizens of Oregon. The desired outcome is safe practices within the profession that result in a healthier and safer Oregon. The Board's role is to make sure that only competent individuals are allowed to practice or work in the profession and that Oregon citizens have confidence in the security and integrity of our drug supply. There are not currently any high level societal outcome measures that exist within the Oregon Benchmarks.

3. PERFORMANCE SUMMARY

Goal #1: Protect Oregon consumers by regulating the practice of pharmacy and distribution of drugs - Successes: During 2009, Board staff and stakeholders worked on the development of rules for Hospitals and Interns. These rules were adopted in April 2010. The Board also worked closely with Department of Human Services (DHS) on the implementation of Public Health Emergency Rules. This proved useful in the context of the H1N1 epidemic and vaccination distribution throughout the state. This took a considerable amount of time and resources to help DHS to implement the Emergency Preparedness Plan. At that time, DHS and the Board of Pharmacy were under the Emergency Preparedness rules for the first time which involved considerable coordination between the Board, DHS and the Governor's office for implementation of the plan. The Board continues to offer "Pharmacist In Charge" or PIC Training. This continues to be a useful outreach to help new pharmacists, especially new managing pharmacists understand their responsibilities as required by the Board. The Board continues to emphasize that it is important to complete Pharmacist Continuing Education requirements and stay current on new developments in the practice of pharmacy. 2009 statistics of compliance remained the same as 2008 at 96%. Board staff completed more inspections in 2009 than 2008. Having a fully trained staff facilitates success for KPM #3.

Goal #2: Provide excellent customer service - Successes: The customer service measure (KPM #5) clearly identifies in all categories that the Board continues to be rated as excellent or good. There is always room for improvement, but the Board is pleased to see the outstanding results. The Board continues to streamline processes and procedures while focusing on efficiency and effective use of resources as we serve. The Board's website is a primary method of communication to licensees and the public. We are able to more timely post lengthy documents on the website to reduce the cost of printing and mailing. Additionally, the Board has added public records associated with disciplinary actions going back to 2007 to the Board's license verification website for individuals and outlets. This will assist in transparency, reduce the number of requests for public records. The response has been favorable. Over all, the Performance Measure data for this goal shows progress.

Goal #3: Conduct business in a manner that supports a positive environment for the pharmacy industry - Successes: The Board does not currently have a performance measure attached to this goal; however, this is something that the Board considers with regularity. The Board's Research Council process, described in past reports, continues to be an effective way to support a collaborative review of Administrative Rules and address topics that require specific research and stakeholder input. Stakeholders are invited to participate and have been very helpful in identifying issues that support the Board's goal to conduct business in a business friendly manner. The Board continues to work with stakeholders on administrative rule revisions. In addition, the

Board regularly evaluates what is happening in other states and federally. The Board also encourages participation at Board meetings by providing continuation education credit for attendance. Board members and staff regularly attend professional practice association meetings such as the Professional Practice Roundtable and the Statewide Coalition to be accessible and transparent to the profession. The development of new hospital rules is a good example of stakeholders and Board updating the rules to address technology. In 2009, performance continued to improved overall.

4. CHALLENGES

Goal #1: Protect Oregon consumers by regulating the practice of pharmacy and distribution of drugs - With licensure of Pharmacy Technicians transitioning to Certified Oregon Pharmacy Technicians, the Board continues to identify a significant number of Technicians that have a record of drug or alcohol abuse and there is an increase in the number of rejected applications. Due to the down turn in the economy, there is an increase in the number of people retraining in the area as pharmacy technicians. Nationally accepted standards for technician education programs do not exist. Consequently, the graduates seeking licensure are prepared with inconsistant knowledge and skill levels. Additionally, many of applicants have completed course work and upon application to the Board, find that their application is denied due to failed background checks. Because these individuals have invested so much into their education, we are faced with an increase in the number of hearing requests which drives up agency costs and increases the need for resources for Attorney General and Hearing dollars. The Board is becoming aware of more illegal internet pharmacies which require a considerable amount of time and resources.

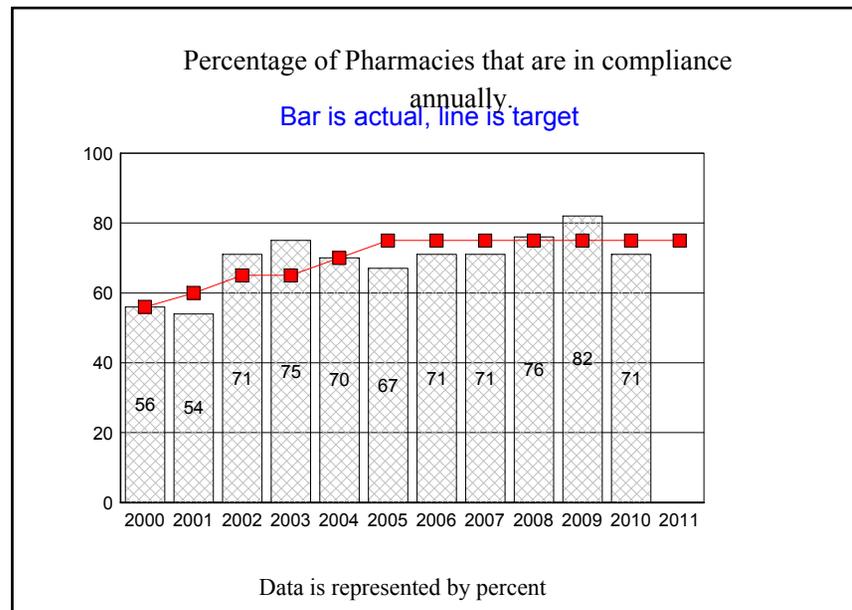
Goal #2: Provide excellent customer service - One of the most significant challenges continues to be the demand on the Agency's workload requests from other agencies and outside organizations. The Agency is regularly called on to assist with projects that require pharmacist expertise, such as requests from DHS to develop protocols and rules that would be effective in the case of a declared Public Health Emergency, such as the H1N1 Flu epidemic or new legislative mandates. The Board was also impacted by over 16 pieces of legislation from the 2009 Session. A significant amount of time was spent on rulewriting, establishing new license types and working with other agencies and stakeholders on program development that impacts the agency. These included: new immunization requirements, Expedited Partner Therapy, the Prescription Drug Monitoring Program, the Health Professional's Service Program, Charitable Pharmacy program and license, revising the Controlled Substance schedules for marijuana and workforce data collection to name a few.

Goal #3: Conduct business in a manner that supports a positive environment for the pharmacy industry- As mentioned above, the biggest challenge is the number of different types of licensees we regulate such as: the pharmacy industry, which includes community and hospital pharmacies, pharmaceutical industry, which includes wholesalers and manufactures, and the practitioners/support personnel which includes pharmacists, pharmacy interns, preceptors and pharmacy technicians. These distinct categories with their diverse issues are all subject to the Board's authority and require the Board's attention.

5. RESOURCES AND EFFICIENCY

None of the existing key performance measures specifically speak to efficiency measures, but rather to the Agency's goals. The Agency has some internal efficiency measures that were removed from the KPM's in 2005 that relate to timing of licensure processes.

| | | |
|-----------------------|--|------|
| KPM #1 | Percent of inspected pharmacies that are in compliance annually. | 2000 |
| Goal | Protect Oregon consumers by regulating the practice of pharmacy and distribution of drugs. | |
| Oregon Context | KPM #1 - Agency mission. | |
| Data Source | Query database. | |
| Owner | Board of Pharmacy Compliance Director (971) 673-0001 | |



1. OUR STRATEGY

The Board's goal is to complete inspection of all Oregon pharmacies annually. To achieve this goal, it is necessary to have trained pharmacist Compliance staff.

2. ABOUT THE TARGETS

Ideally, the target should be 100% compliance. The legislature set this target to 75%.

3. HOW WE ARE DOING

This performance measure indicates that the number of inspected pharmacies that were in compliance in 2009 decreased from 82 to 71%. This decrease is attributed to the number of new rule requirements implemented by the Board in the prior two years and the challenge for pharmacies and pharmacists to keep up with the changes. The Board continues to educate through the Board's website, CE programs, Pharmacist in Charge training and is available for questions daily.

4. HOW WE COMPARE

The Board established a self-inspection report that has assisted pharmacies in complying with Oregon laws and rules. The variance shows that pharmacies compliance decreased during calendar year 2009. This performance ties directly to the pharmacies maintaining compliance with agency laws and rules. This appears to compare favorably with rates of compliance with laws and rules of other Oregon agencies.

5. FACTORS AFFECTING RESULTS

The Compliance staff is available to respond to questions and counsel on best practices leading to compliance. Annually updated self inspection forms provide the pharmacists with information and references to issues the Board feels are important, reflect new rules and which leads to increased levels of compliance.

6. WHAT NEEDS TO BE DONE

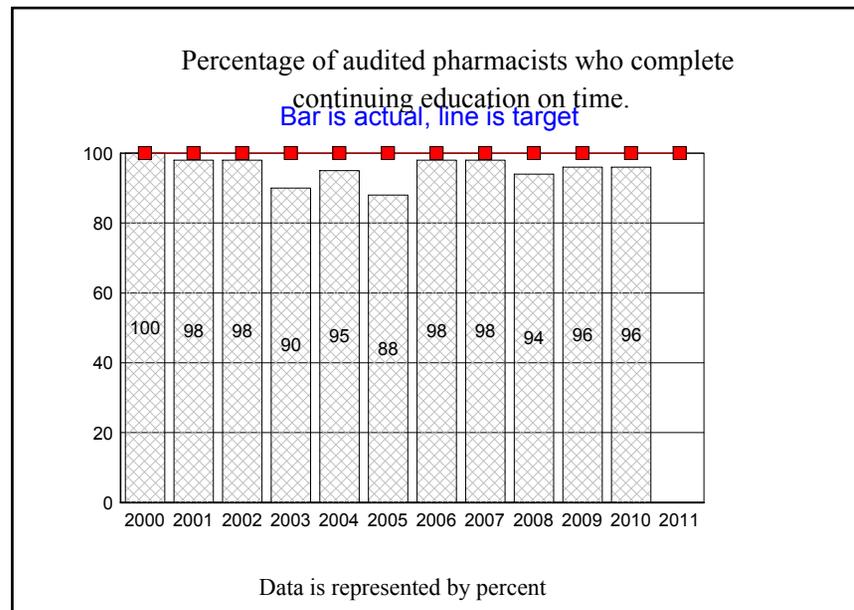
During 2009, stability of trained Compliance staff assisted with a greater ability to serve the pharmacy community and the public. Additionally, regular updates to the self inspection form, based on the analysis of the compliance statistics or new rules of significance identified by the Board, help pharmacies stay in compliance.

7. ABOUT THE DATA

Calendar year 2009 shows a decreased compliance for this measure. This is strong data because it is easy to determine whether the pharmacy is in

compliance or out of compliance. During inspections, Compliance staff use the self inspection form to identify deficiencies and educate pharmacy managers where improvement is necessary. Pharmacies have 30 days to report back to the Board on corrections to the deficiencies. This continues to be a useful tool for the Board and pharmacies.

| | | |
|-----------------------|--|------|
| KPM #2 | Percent of audited pharmacists who complete continuing education on time. | 2000 |
| Goal | Protect Oregon consumers by regulating the practice of pharmacy and distribution of drugs. | |
| Oregon Context | KPM # 2 - Agency mission. | |
| Data Source | Manual review of audited licensee CE renewal data. | |
| Owner | Board of Pharmacy Licensing (Administrative Director) (971) 673-0001 | |



1. OUR STRATEGY

Continuing education is one strategy to ensure pharmacist competency to practice. The Board adopted rules requiring a minimum of 15 hours of continuing education annually. The Board annually audits 10% of pharmacists for compliance.

2. ABOUT THE TARGETS

The 100% target is maintained because pharmacists are required to achieve 15 hours of continuing education annually in order to renew their license.

3. HOW WE ARE DOING

For calendar year 2009, compliance for this measure remained the same as 2008. Statistics reflect that most audited individuals are in compliance annually. Any pharmacist not in compliance is subject to disciplinary action. The Board continues to emphasize the importance of keeping up with continuing education by participating in the previously mentioned Pharmacist in Charge training and various professional meetings held around the state. Staff also provides presentations on pharmacy and drug law at various professional association meetings. The Board Compliance Director also regularly reviews CE programs offered in Oregon for approval and the Compliance staff periodically audits these programs to make sure the content is appropriate for credit hours as directed by the Board.

4. HOW WE COMPARE

Most other Oregon health licensing boards have requirements for continuing education.

5. FACTORS AFFECTING RESULTS

The decreased availability of live CE programs in rural areas is a barrier to achieving the required number of hours. The availability of some CE programs on the internet and in pharmacy journals provides an alternative to attending live CE programs. Out of state pharmacists have different CE requirements and time frames than Oregon and they may miss the required audit period for our state. They usually have everything they need, but not during the right time frame.

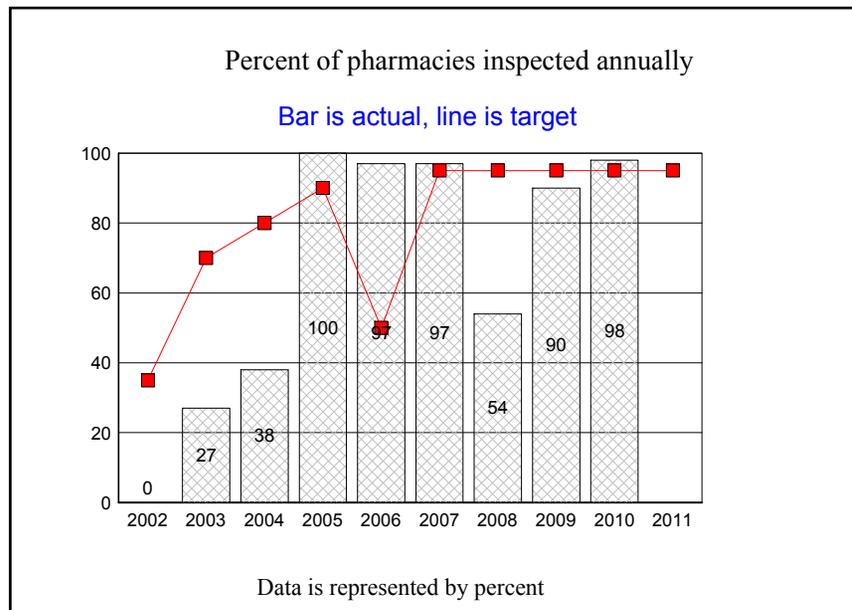
6. WHAT NEEDS TO BE DONE

We continue to audit pharmacists hours to ensure compliance with the CE requirement.

7. ABOUT THE DATA

This data reflects 10% of pharmacists audited annually. This is used to estimate compliance with the CE requirement across the profession.

| | | |
|-----------------------|--|------|
| KPM #3 | Percent of pharmacies inspected annually. | 2002 |
| Goal | Protect Oregon consumers by regulating the practice of pharmacy and distribution of drugs. | |
| Oregon Context | KPM # 3 - Agency mission. | |
| Data Source | Query database | |
| Owner | Board of Pharmacy Compliance Director (971) 673-0001 | |



1. OUR STRATEGY

The Board's goal is to complete inspection of all Oregon pharmacies annually. To achieve this goal, it is necessary to have positions filled with trained pharmacist Compliance staff.

2. ABOUT THE TARGETS

In 2009, all of the Pharmacy Inspector positions were filled. As a result, performance for this measure increased from to 90 to 98%. The legislative target is 95%.

3. HOW WE ARE DOING

As mentioned above, in 2009 all of the Pharmacy Inspector positions were filled; as a result, most of the pharmacies were inspected in 2009. In addition, Board staff were able to inspect other outlets as well. Performance for this measure varies depending on the Board's workload and direction to focus on inspections for other outlets the Board licenses.

4. HOW WE COMPARE

Our data compares favorably to other states in which on site inspections occur every second or third year.

5. FACTORS AFFECTING RESULTS

Factors affecting the Compliance staffs ability to complete annual on-site inspections include staffing, the compliance investigation schedule and other projects such as emergencies such as the H1N1 epidemic, rule writing, committees and task forces and responding to public inquiries.

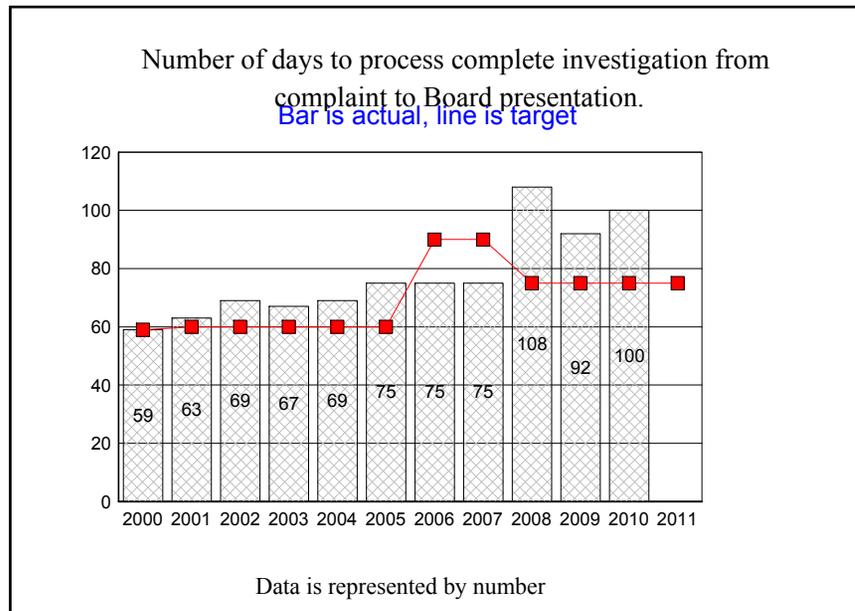
6. WHAT NEEDS TO BE DONE

Continue the current practice of regular pharmacy inspection.

7. ABOUT THE DATA

This is strong data. The pharmacy was either inspected or not.

| | | |
|-----------------------|---|------|
| KPM #4 | Average number of days to complete an investigation from complaint to board presentation. | 2000 |
| Goal | Provide excellent customer service. | |
| Oregon Context | KPM #4 - Agency mission. | |
| Data Source | Query database. | |
| Owner | Board of Pharmacy Compliance Director (971) 673-0001 | |



1. OUR STRATEGY

Decreasing the lag time from complaint to presentation is in the public interest. The Oregon Department of Justice, law enforcement and regulatory agencies both state and federal are regular partners in the Board's investigations.

2. ABOUT THE TARGETS

The Board's goal is to reduce the number of days between complaint to Board presentation.

3. HOW WE ARE DOING

Some years ago, the Board moved to bi-monthly Board Meetings in a cost saving effort, which means the opportunity to present cases occurs approximately every 60 days rather than every 30 days. The time it takes to conduct investigations, criminal background checks, and prepare reports for the Board impacts the delivery of a completed report to the Board. Depending on the complexity of the case and the organization involved, there may be corporate legal departments that the Board needs to work through in order to complete an investigation. This often creates significant delays.

4. HOW WE COMPARE

Anecdotally, this compares favorably to other Oregon regulatory boards and other state boards of pharmacy.

5. FACTORS AFFECTING RESULTS

2009 KPM results indicate a decrease from the 2008 performance outcomes. The corporate culture of licensee's legal departments and government relation teams contributes to delays and adds to the complexity of investigations. Other factors include the availability of Board general counsel resources and need for ongoing investigator training.

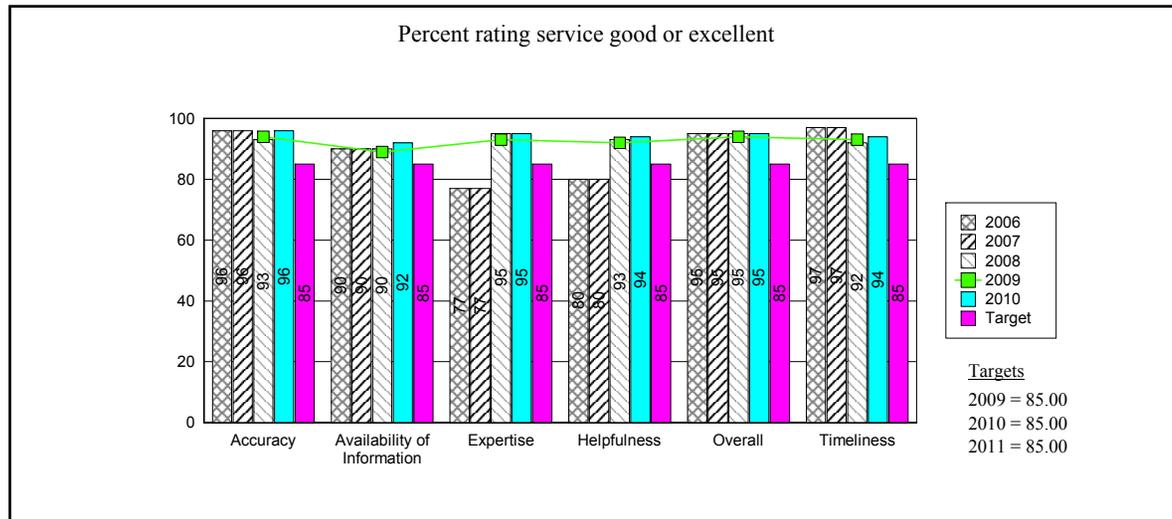
6. WHAT NEEDS TO BE DONE

Retain staff, get more training, and review and update investigation procedures. The Board submitted a request to drop this measure and replace it with a measure that coincides with the statutory requirement of 120 days. The current measure is not an effective measure of performance.

7. ABOUT THE DATA

The Compliance staff enter the date a complaint is received or an investigation is initiated into the database. The Compliance Agenda for the Board helps us identify when a case is presented to the Board. Statute requires cases to be presented to the Board within 120 days.

| | | |
|-----------------------|---|------|
| KPM #5 | Percent of Customers Rating Their Satisfaction With the Agency’s Customer Service as “Good” or “Excellent” : Overall Customer Service, Timeliness, Accuracy, Helpfulness, Expertise, and Availability of Information. | 2006 |
| Goal | Provide excellent customer service | |
| Oregon Context | KPM #5 - Customer Service measure added by the 2005 Legislature. | |
| Data Source | Customer service survey | |
| Owner | Board of Pharmacy Administrative Director (971) 673-0001 | |



1. OUR STRATEGY

The Board strives towards excellent customer service through the services it provides, including investigations, licensing, examinations and consumer information.

2. ABOUT THE TARGETS

The goal is to achieve excellence. However, licensees who are disciplined by the Board are not likely to give the Board excellent scores.

3. HOW WE ARE DOING

The Board conducted several surveys of various licensees and the public during this reporting period. Combined results indicate a high service rating in all areas.

4. HOW WE COMPARE

Limited data available.

5. FACTORS AFFECTING RESULTS

The 2009 survey results indicate higher scores in all areas of customer service over 2008.

6. WHAT NEEDS TO BE DONE

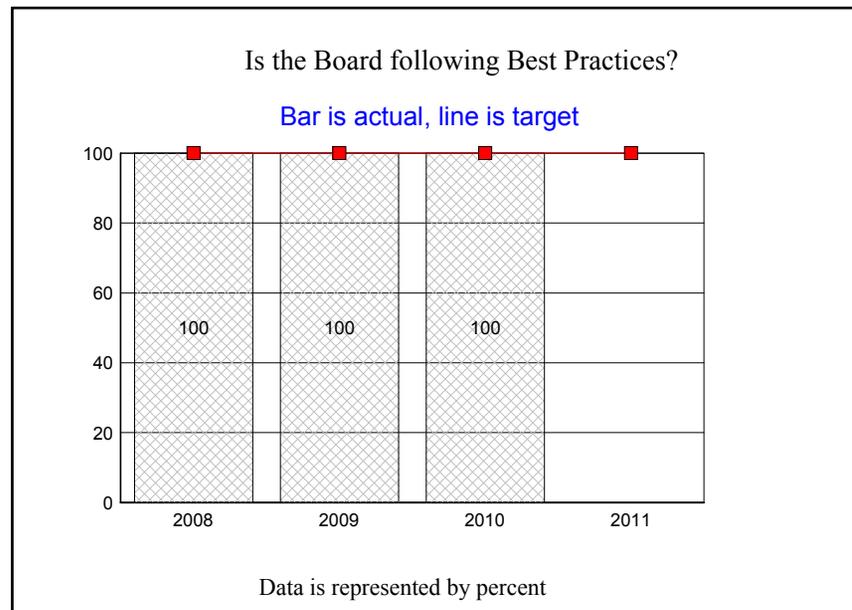
The Agency seeks to continue excellent customer service through ongoing staff training, the use of internet resources and regularly updated agency website.

7. ABOUT THE DATA

Please provide the following specific information: a) survey name; b) surveyor; b) date conducted; c) population; d) sampling frame; e) sampling procedure; f) sample characteristics; g) weighting. For clarification, see pages four through six of the Customer Service Guidance. The Board used one Customer Service Survey that was distributed and conducted as follows: The Oregon Board of Pharmacy used 2 surveys through SurveyMonkey to obtain results to the following Questions: 1. How would you rate the timeliness of services provided by the Board of Pharmacy? 2. How would you rate the ability of the Board of Pharmacy to provide services correctly the first time? 3. How would you rate the helpfulness of employees? 4. How would you rate the knowledge and expertise of Board of Pharmacy staff? 5. How would you rate the availability of information at the Oregon Board of Pharmacy? 6. How would you rate the overall quality of information and services provided by the Board of Pharmacy? 7. How does the service you received at the Oregon Board of Pharmacy compare to that provided by other states? 8. How would you rate the Oregon Board of Pharmacy's website? 9. What type of license do you hold? 10. If you have contacted the Oregon Board of Pharmacy, what method did you use?

We emailed a link to the SurveyMonkey Customer Service Survey to Board customers that obtained a new license between the dates of January 1, 2009 and December 31, 2009. These were only sent to new licensees who provided an email address. As of 1/30/10 we have emailed the link to 3117 licensees. 86 of the email addresses came back to us as undeliverable. There was an expected decrease of the number of new licenses issued in 2009 due to last year's Certified Technician licensing deadline of 9/30/08. Of the 3031 remaining licensees that provided valid email addresses, **876** have responded to the survey. **848 licensees** completed the entire survey. This is a response rate of 27.97%. This is an increase of 1.76% over the 2008 response rate.

| | | |
|-----------------------|--|------|
| KPM #6 | Board Best Practices - Percent of total best practices met by the Board. | 2007 |
| Goal | To have a high level of success in following board best practices. | |
| Oregon Context | KPM #6 Board Best Practices, Legislatively added in 2007. | |
| Data Source | The Board reviews board best practices annually at their Strategic Planning session. | |
| Owner | Board of Pharmacy - Administrative Director (971) 673-0001 | |



1. OUR STRATEGY

It is the Board's goal to regularly operate within the guidelines required statutorily and administratively. We regularly review new laws and rules and attend trainings to keep the Board informed.

2. ABOUT THE TARGETS

The Board intends to comply with all Board Best Practices.

3. HOW WE ARE DOING

A majority of Board members attended the Governor's training upon appointment. Unfortunately, it has now been eliminated due to budget cuts. In addition, Board staff keep the Board up to date on statutory and administrative requirements. The Board is complying with all best practice areas.

4. HOW WE COMPARE

The Board is doing well.

5. FACTORS AFFECTING RESULTS

The Board Members, Executive Director and Management Staff work very well with each other.

6. WHAT NEEDS TO BE DONE

Continue reviewing best practice issues and educate as needed.

7. ABOUT THE DATA

The Board reviews the best practices each year.

| | |
|---------------------------|------------------------------------|
| PHARMACY, BOARD OF | III. USING PERFORMANCE DATA |
|---------------------------|------------------------------------|

Agency Mission: The mission of the Oregon State Board of Pharmacy is to promote, preserve and protect the public health, safety and welfare by ensuring high standards in the practice of pharmacy and by regulating the quality, manufacture, sale and distribution of drugs.

| | |
|--|------------------------------------|
| Contact: Karen MacLean, Administrative Director | Contact Phone: 971-673-0001 |
|--|------------------------------------|

| | |
|---|--------------------------------------|
| Alternate: Gary Schnabel, Executive Director | Alternate Phone: 971-673-0001 |
|---|--------------------------------------|

The following questions indicate how performance measures and data are used for management and accountability purposes.

| | |
|--------------------------------|--|
| 1. INCLUSIVITY | <p>* Staff: The Executive Director, along with the Management staff, reviews measures annually and advises the Board. The Performance Measure Coordinator attends periodic trainings and meetings.</p> <p>* Elected Officials: Through the budget hearing process, legislators participate in review and revision of agency performance measures. This information is available to the public and posted on the agency website.</p> <p>* Stakeholders: This information is posted on the agency website and is available for review and comment. It is also reviewed annually at the Board's Strategic Planning Session.</p> <p>* Citizens: This information is posted on the agency website and available for review and comment.</p> |
| 2 MANAGING FOR RESULTS | <p>Performance measures are used to develop policies and procedures that facilitate customer service and further the agency's mission to protect the health, safety and welfare of the citizens of Oregon. Performance measures are analyzed as part of the Board's annual strategic planning process. The Board established a new disciplinary outcome as a result of the KPM #2 data. In addition, order achieve our inspection goals, one pharmacist inspector was assigned to the road full time to focus on on-site inspections exclusively for KPM #3. This year, the Board also seeks to delete and change to KPM #4, which will more accurately reflect the Board's compliance with the law.</p> |
| 3 STAFF TRAINING | <p>The Performance Measure Coordinator attends training as it becomes available.</p> |
| 4 COMMUNICATING RESULTS | <p>* Staff: The staff communicate results at Board meetings and our report is available on the agency website.</p> <p>* Elected Officials: Any elected official can obtain information about agency performance measures through the website. The legislative sub-committee that reviews the agency budget is also provided up to date information.</p> |

* **Stakeholders:** These documents and Annual Report are posted at <http://www.pharmacy.state.or.us> and available for all stakeholders to review.

* **Citizens:** All information is posted on the website, or can be received by contacting the Board office.