

ANNUAL PERFORMANCE PROGRESS REPORT - EXECUTIVE SUMMARY

TIME PERIOD: FISCAL YEAR 2003 – 2004

Agency: Oregon Board of Pharmacy	Date Submitted: 11/23/04	Version No.:1
Contact: Karen MacLean	Phone: 503-731-4032	
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PERFORMANCE TARGET ACHIEVEMENT	#
Total Number of Key Performance Measures (KPMs)	7
# of KPMs at target for most current reporting period	3
# of KPMs not at target for most current reporting period	4

- Degree and type of agency influence on agency’s chosen benchmarks and high-level outcomes.
 - The following is our agency’s mission statement. It serves as our high-level outcome: *“Promote, Preserve, And Protect The Public Health, Safety And Welfare By Establishing High Standards In The Practice Of Pharmacy And By Regulating The Quality And Distribution Of Drugs In Oregon. (Mandate On Regulation Of Pharmacies And Drug Outlets ORS 689)”*

- Summarize the year’s successes and barriers to achieving performance measure targets.
 - *Protect Oregon consumers by regulating the practice of pharmacy and distribution of drugs*

Successes: In the past year, the Board has exceeded its performance measure target in regards to the number of inspected pharmacies that are in compliance annually. The Board annually revises a self-inspection form for pharmacies to prepare for Board inspection. A marked improvement in compliance has been seen at those pharmacies that have completed the self-inspection report as required. The Board also continues to see a relatively high compliance for completing the continuing education requirement on time by those pharmacists who are audited annually.

Significant levels of agency resources have been required to be directed toward consumer and professional education and investigation into the importation of prescription drugs into the state from foreign countries. This has been a highly controversial topic and resources have been and continue to be dedicated to research and evaluate state and federal law as well as respond to questions from consumers and health care professionals. The Board’s goal and statutory mandate is to ensure that only those pharmacies, pharmacists,

manufacturers and distributors properly licensed in the state of Oregon are allowed to practice pharmacy or become involved in the distribution of drugs.

Barriers: In contrast, however the Board has struggled in achieving the target number of inspections annually for the last several years, primarily due to workload. This is influenced by the fact that turn-over for the Pharmacy Inspector position is high due to the low salary and the time required to train an Inspector is lengthy. Additionally, the agency continues to expend a significant level of resources toward consumer and professional education and education regarding importation of prescription drugs into the state from foreign countries. Finally, the Board has seen a significant increase in the number of drug diversion cases involving Pharmacists and Pharmacy Technicians within the last year that have been very time consuming for agency staff and costly for the agency in attorney fees.

- *Provide excellent customer service*

Successes: Within the last 12 months the agency has been very successful in implementing a new licensing database. We have completed a full year of renewal cycles successfully and have also been able to exceed our targets projected for processing completed applications and renewals. Our current Licensing staff has done an excellent job at learning the new system and making it work efficiently for the agency. The Agency's Compliance staff have done an admirable job in completing investigations for presentation to the Board.

Barriers: Even with these successes, the agency has struggled to create reports from the new database because of retention problems for the Database Administrator position that we share with the Board of Nursing. The position is now filled and we hope to make progress in this area. Board staff have also attempted to implement an online license verification system in collaboration with the Department of Administrative Services, Information Resource Management Division. However between limited staffing, agency workloads and resources, this project has yet to be completed. Finally, due to the limited staffing resources and workload issues as mentioned above in the previous barriers, and the timing of complaints to our bi-monthly Board meetings, the agency has also been challenged in meeting the target for completing investigations.

- *Conduct business in a manner that supports a positive environment for the pharmacy industry*

Successes: Within the past year, the Board has established Board Research Council's to assist with the collaborative ongoing process to review OAR Chapter 855. At present, there are four active groups researching the following issues: Pharmacy Technician Education & Training, Wholesale Model Rules, Technology issues and Prescription Drug Reporting. Stakeholders are involved in this process and have been very helpful in identifying issues that support the Boards goal to conduct business in a "business" friendly manner.

Barriers: Agency workload and vacancies within the Compliance section have severely challenged our ability to follow through on Administrative rule updates. The Board did a thorough review of Division 041 over a year ago; however the staff has not had time to make the revisions for proposed rule making. The Board hopes to implement a Project Manager position in the 05-07 Biennium. This position will be responsible for keeping track of projects such as this and moving them along.

- Future Challenges

Board staff continues to be in a rebuilding phase due to tremendous employee turnover primarily due to retirement of long-term employees. Of the 15.5 staff that is Legislatively Approved for the agency, we have had 16 staff turnovers in the last three years. Salary limitations continue to severely hamper the agencies ability to recruit and retain qualified pharmacists for the Compliance staff positions.

As with all state agencies, this agency continues to be challenged by the General Fund shortfall even though it operates solely on Other Funds generated by license and registration fees. The agency is required to identify service reductions, which will mean that the level of performance is continually challenged. A tremendous amount of staff resources goes toward the identification of reductions and how they can be implemented, documented and reported. The Agency's first and foremost priority is to promote, preserve and protect the public health, safety and welfare of Oregonians through regulation of the practice of pharmacy and the quality and distribution of drugs. The Board of Pharmacy will continue to serve the People of Oregon in the best and most efficient way that we can with the resources allotted through Legislative limitation.

• *ANNUAL PERFORMANCE PROGRESS REPORT - PART I, MANAGING FOR RESULTS*

TIME PERIOD: FISCAL YEAR 2003 – 2004

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Agency Name: Oregon Board of Pharmacy	Agency No.: 833000
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The following questions shed light on how well performance measures and performance data are leveraged within your agency for process improvement and results-based management.

1 How were staff and stakeholders involved in the development of the agency's performance measures?	Performance measures were developed by agency management, Progress Board staff and are reviewed by the Board annually at the Strategic Planning session. This meeting is open to the public and held in different locations around the state to encourage participation.
2 How are performance measures used for management of the agency?	Performance measures are used to develop policies and procedures that facilitate customer service and further the agency's mission to protect public health, safety and welfare.
3 What training has staff had in the use performance measurement?	Management staff participated in training sessions offered by the Progress Board.
4 How does the agency communicate performance results and for what purpose?	The agency communicates performance results in the Biennial Budget process as required. These documents and Annual Report are posted @ www.pharmacy.state.or.us . We also anticipate developing an annual report for the agency which will include this information when workload and resources are available.
5 What important performance management changes have occurred in the past year?	Within the last year, the agency replaced its aging and failing database system. The new system has significantly changed our business processes in a positive manner and it will allow us to electronically compile report data that used to be done manually.

ANNUAL PERFORMANCE REPORT- PART II, KEY MEASURE ANALYSIS

TIME PERIOD: FISCAL YEAR 2003 – 2004

Agency Name: Oregon Board of Pharmacy		Agency No. 833000:								
Key Performance Measure (KPM)		1999	2000	2001	2002	2003	2004	2005	2006	2007
# - 1 Percent of inspected pharmacies that are in compliance annually.	Target		56%	60%	65%	65%	70%	75%	75%	75%
	Data		56%	54%	71%	73%	N/A			

Data Source: Database query

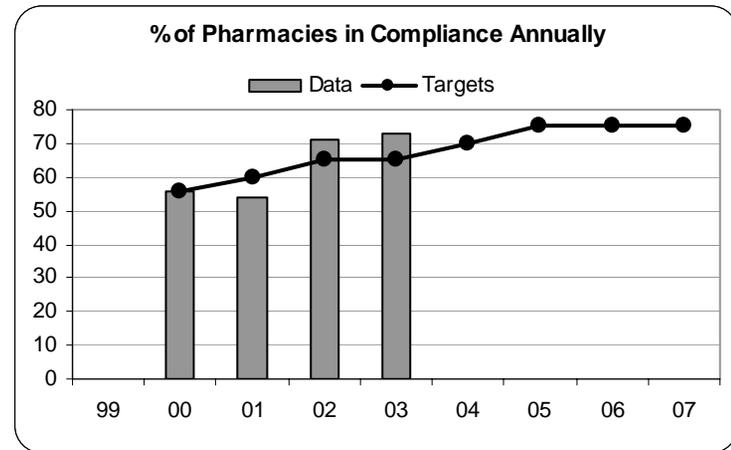
Key Performance Measure Analysis

To what goal(s) is this performance measure linked? Goal 1 - Protect Oregon consumers by regulating the practice of pharmacy and distribution of drugs.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)? What is the impact of your agency?

This performance measure is not linked to an Oregon benchmark, but it linked to the agency mission.

How does the performance measure demonstrate agency progress toward the goal? This performance measure indicates that the Board has been able to show an improvement in the number of pharmacies that are inspected and in compliance annually.



Compare actual performance to target and explain any variance. The Board established a self-inspection report that has assisted pharmacies in complying with Oregon laws and rules. The variance shows that pharmacies are doing better than originally expected, however still have room to improve.

Summarize how actual performance compares to any relevant public or private industry standards. none

What is an example of a department activity related to the measure? Annual pharmacy inspection.

What needs to be done as a result of this analysis? Continue to encourage pharmacies to complete the self-inspection report and make improvements that will assist them in complying with laws and rules.

ANNUAL PERFORMANCE REPORT- PART II, KEY MEASURE ANALYSIS

TIME PERIOD: FISCAL YEAR 2003 – 2004

Agency Name: Oregon Board of Pharmacy		Agency No. 833000:								
Key Performance Measure (KPM)		1999	2000	2001	2002	2003	2004	2005	2006	2007
# - 2 Percent of audited pharmacists who complete continuing education on time	Target		100%	100%	100%	100%	100%	100%	100%	100%
	Data		100%	98%	98%	90%	N/A			

Data Source: Manual review of license renewal

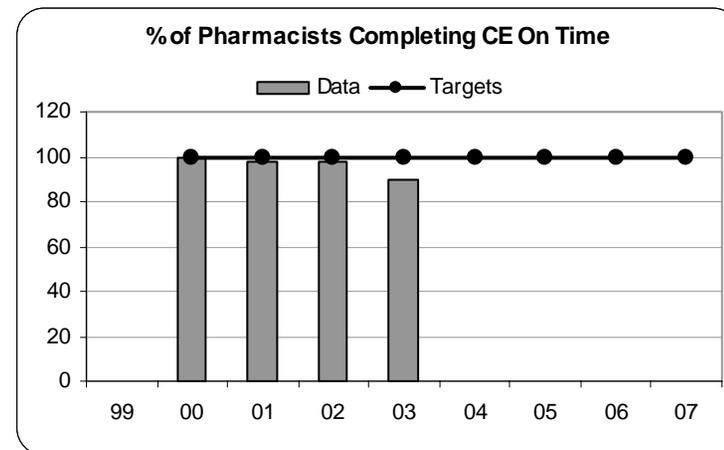
Key Performance Measure Analysis

To what goal(s) is this performance measure linked? Goal 1 Protect Oregon consumers by regulating the practice of pharmacy and distribution of drugs.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)? What is the impact of your agency?

This performance measure is not linked to an Oregon benchmark, but it linked to the agency mission.

How does the performance measure demonstrate agency progress toward the goal?
 Continuing education is imperative to professional growth. Annually, pharmacists are required to complete and report at least 15 hours of continuing education with their renewal. Approximately 10% are audited and required to send in proof of completion. This measure shows that the number of people in compliance annually has decreased.



Compare actual performance to target and explain any variance. It appears that the number of individuals audited in the past few years have failed to be in compliance.

Summarize how actual performance compares to any relevant public or private industry standards. None available

What is an example of a department activity related to the measure? Licensing staff review audited records annually. Compliance staff actively participates in audit if pharmacists are not in compliance.

What needs to be done as a result of this analysis? The Board will be reviewing this issue to address non-compliance.

ANNUAL PERFORMANCE REPORT- PART II, KEY MEASURE ANALYSIS

TIME PERIOD: FISCAL YEAR 2003 – 2004

Agency Name: Oregon Board of Pharmacy		Agency No. 833000:								
Key Performance Measure (KPM)		1999	2000	2001	2002	2003	2004	2005	2006	2007
# -3 Percent of pharmacies inspected annually.	Target				New	70%	80%	90%	50%	50%
	Data			68%	35%	27%	N/A			

Data Source: Query database

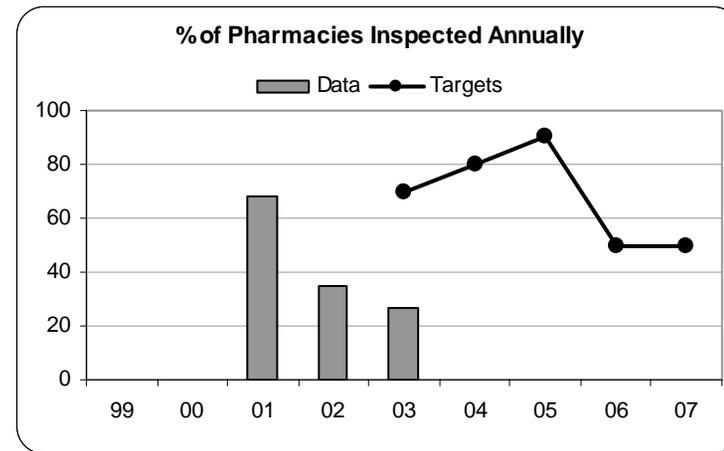
Key Performance Measure Analysis

To what goal(s) is this performance measure linked? Goal 1 – Protect Oregon consumers by regulating the practice of pharmacy and distribution of drugs.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)? What is the impact of your agency?

This performance measure is not linked to an Oregon benchmark, but it linked to the agency mission.

How does the performance measure demonstrate agency progress toward the goal? This performance measure clearly shows that the agency has not been able to make progress towards this goal.



Compare actual performance to target and explain any variance. As previously stated, staffing for the Pharmacy Inspector position has been very challenging the past few years. Without trained staff, this task can not be completed.

Summarize how actual performance compares to any relevant public or private industry standards. None available

What is an example of a department activity related to the measure? Compliance Pharmacy Inspector staff arrange week long inspection trips outside the Portland area to effectively utilize travel time and inspect as many pharmacies in a given area of the state as often as possible.

What needs to be done as a result of this analysis? Stabilize Compliance staff retention by addressing compensation issues at a state level.

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Agency Name: Oregon Board of Pharmacy		Agency No. 833000:								
Key Performance Measure (KPM)		1999	2000	2001	2002	2003	2004	2005	2006	2007
# -4 Average number of days to complete an investigation from complaint to board presentation.	Target		59	60	60	60	60	60	90	90
	Data		59	63	69	67	69			

Data Source: Manual review of investigative files

Key Performance Measure Analysis

To what goal(s) is this performance measure linked? Goal 2 Provide excellent customer service.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)? What is the impact of your agency?

This performance measure is not linked to an Oregon benchmark, but it linked to the agency mission.

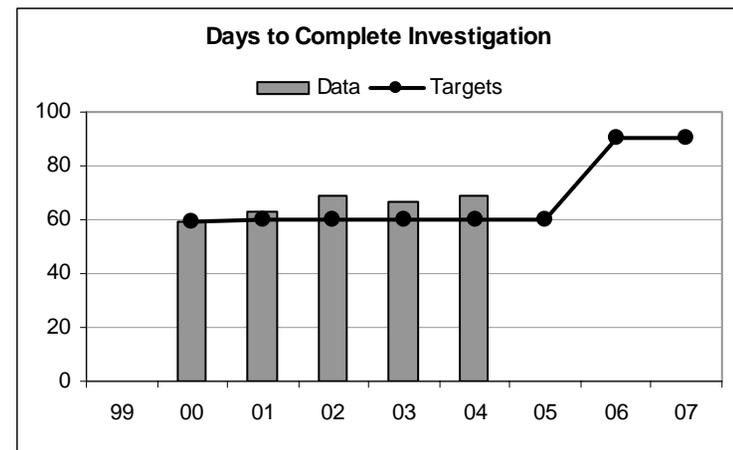
How does the performance measure demonstrate agency progress toward the goal? This performance measure indicates that the Board is on track with its goal.

Compare actual performance to target and explain any variance. None.

Summarize how actual performance compares to any relevant public or private industry standards. None available.

What is an example of a department activity related to the measure? Compliance staff take complaints daily and investigate.

What needs to be done as a result of this analysis? Continue responding to the public in a timely manner.



ANNUAL PERFORMANCE REPORT- PART II, KEY MEASURE ANALYSIS

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Agency Name: Oregon Board of Pharmacy		Agency No. 833000:								
Key Performance Measure (KPM)		1999	2000	2001	2002	2003	2004	2005	2006	2007
# - 5 Average number of days to process completed applications for original license/ registration.	Target		7 days	10 days	10 days	10 days	8 days	6 days	6 days	6 days
	Data		7 days	7 days	7 days	6 days	6 days			

Data Source: Manual review of audit reports

Key Performance Measure Analysis

To what goal(s) is this performance measure linked? Goal 1 – Provide excellent customer service.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)? What is the impact of your agency?

This performance measure is not linked to an Oregon benchmark, but it linked to the agency mission.

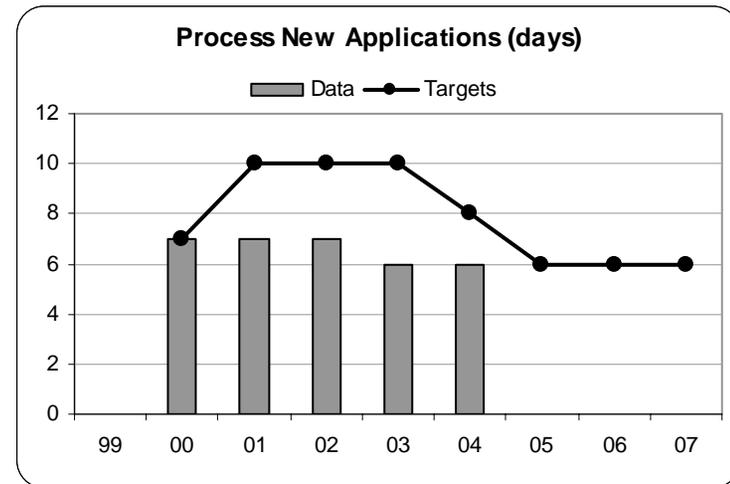
How does the performance measure demonstrate agency progress toward the goal? This performance measure indicates that the Board is exceeding its goals in this area.

Compare actual performance to target and explain any variance. None.

Summarize how actual performance compares to any relevant public or private industry standards. None available.

What is an example of a department activity related to the measure? Efficient processing of applications by the Licensing staff .

What needs to be done as a result of this analysis? Continue providing excellent customer service.



ANNUAL PERFORMANCE REPORT- PART II, KEY MEASURE ANALYSIS

TIME PERIOD: FISCAL YEAR 2003 – 2004

Agency Name: Oregon Board of Pharmacy		Agency No. 833000:								
Key Performance Measure (KPM)		1999	2000	2001	2002	2003	2004	2005	2006	2007
# - 6 Average number of days to process completed applications for renewal license/registration	Target		6 days	6 days	6 days	5 days	4 days	4 days	4 days	4 days
	Data		6 days	6 days	5 days	4 days	4 days			

Data Source: Manual review of audit report

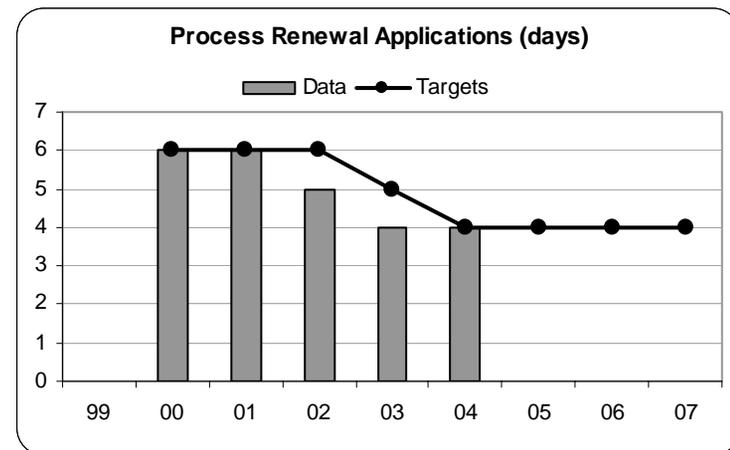
Key Performance Measure Analysis

To what goal(s) is this performance measure linked? Goal 2 – Provide excellent customer service.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)? What is the impact of your agency?

This performance measure is not linked to an Oregon benchmark, but it linked to the agency mission.

How does the performance measure demonstrate agency progress toward the goal? This performance measure indicates that the Board is exceeding its goals in this area.



Compare actual performance to target and explain any variance. None

Summarize how actual performance compares to any relevant public or private industry standards. None available.

What is an example of a department activity related to the measure? Efficient processing of renewals by the Licensing staff .

What needs to be done as a result of this analysis? Continue providing excellent customer service.

ANNUAL PERFORMANCE REPORT- PART II, KEY MEASURE ANALYSIS

TIME PERIOD: FISCAL YEAR 2003 – 2004

Agency Name: Oregon Board of Pharmacy		Agency No. 833000:								
Key Performance Measure (KPM)		1999	2000	2001	2002	2003	2004	2005	2006	2007
# - 7 Develop collaborative ongoing process with stakeholders to review Chapter 855 every three years.	Target				new	50%	75%	June 05		
	Data				N/A	25%	N/A			

Data Source: Manual review

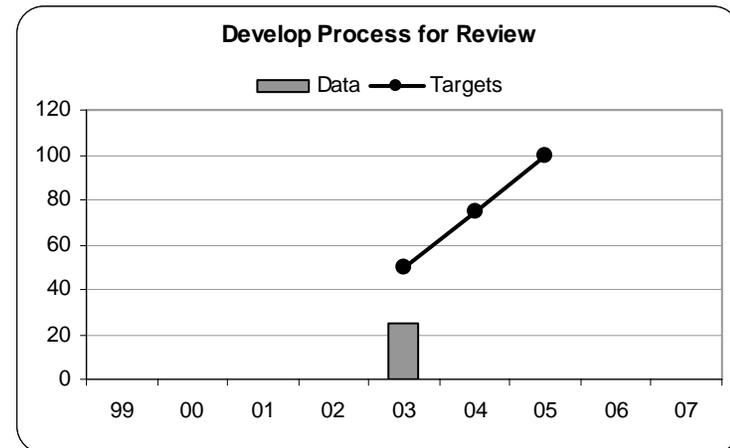
Key Performance Measure Analysis

To what goal(s) is this performance measure linked? Goal 3 Conduct business in a manner that supports a positive environment for the pharmacy industry.

What do benchmark (or other high-level outcome) data say about Oregon relative to the goal(s)? What is the impact of your agency?

This performance measure is not linked to an Oregon benchmark, but it linked to the agency mission.

How does the performance measure demonstrate agency progress toward the goal? This performance measure shows that the agency has made some progress in developing a collaborative process within the last year.



Compare actual performance to target and explain any variance. Performance shows that we have not been able to make as much progress in this area as anticipated.

Summarize how actual performance compares to any relevant public or private industry standards. Uncertain.

What is an example of a department activity related to the measure? This measure is driven by the Board’s ability to address pharmacy industry issues. The current number of issues far exceeds the amount of time the Board has had to work on this issue. Staff workload and retention issues have also prevented review of work the Board has completed.

What needs to be done as a result of this analysis? This issue needs to be managed better and the Board has made a request to increase staff that should assist in this area.