

Annual Report
Fiscal Year 2010

BOARD OF PHARMACY

July 2010



**DIVISION OF CORPORATIONS, BUSINESS
AND PROFESSIONAL LICENSING**

This Annual Performance Report is presented in accordance with Alaska Statute 08.01.070(1) and Alaska Statute 37.07.080(b). Its purpose is to report the accomplishments, activities, and the past and present needs of the licensing program.

**ALASKA STATE BOARD OF PHARMACY
FY 2010 ANNUAL REPORT**

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**ALASKA STATE BOARD OF PHARMACY
FY 2010 ANNUAL REPORT
IDENTIFICATION OF BOARD**

<u>Board Member</u>	<u>Date Appointed</u>	<u>Term Expires</u>
Richard C. Holm, Chair 167 Santa Claus Lane North Pole, AK 99705	March 31, 2006	March 1, 2014
Dirk White, Vice Chair 106 Lincoln Street Sitka, AK 99835	March 1, 2007	March 1, 2011
Mary Mundell 1751 E. Gardner Way, Ste G Wasilla, AK 99654	April 14, 2005	March 1, 2013
Christopher J. Kim 9445 Endicott St. Anchorage, AK 99502	March 1, 2009	March 1, 2012
Steve Johnson PO Box 4393 Palmer, AK 99645	December 3, 2008	March 1, 2012
Leah Handley PO Box 900 Homer, AK 99603	March 1, 2009	March 1, 2013
Anne Gruening 3192 Pioneer Ave. Juneau, AK 99801	March 1, 2010	March 1, 2014

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IDENTIFICATION OF STAFF

Mary Kay Vellucci, Licensing Examiner

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ALASKA STATE BOARD OF PHARMACY
FY 2010 ANNUAL REPORT
NARRATIVE STATEMENT

This narrative statement will describe the current activities and accomplishments of the Alaska Board of Pharmacy, composition of the Board in FY 2010, and the continuing efforts of the Board to regulate the Practice of Pharmacy in the State of Alaska.

The Board held four meetings during FY 2010 as follows:

September 24-25, 2009
February 18-19, 2010
April 2, 2010 (teleconference)
May 20-21, 2010

Board members during FY 2010:

Anne F. Gruening, Public Member (term began March 2010)
Leah Handley, Public Member
Richard C. Holm, R.Ph.
Steven Johnson, R.Ph.
Christopher J. Kim, R.Ph.
Mary Mundell, R.Ph.
Dirk White, R.Ph.

Sher Zinn began the FY as the Board's licensing examiner. She then accepted the position of records and Licensing Supervisor. The Board's new licensing examiner is Mary Kay Vellucci. Jo Anna Williamson serves as the Board Investigator.

Regulation Projects: The Board adopted regulation on Shared Pharmacy Services. They were forwarded to the Lieutenant Governor for signature.

Regulations were drafted covering student job shadowing in pharmacies. Public comment was extensive and very useful. In the May meeting the Board considered the public comment, made appropriate changes, and adopted the regulation. It was then forwarded to the Lieutenant Governor for signature.

The Board continued to work on the regulations regarding TEN MILE RULE, associated with remote/telepharmacies. It was forwarded to the Regulations Specialist after the May meeting.

The Board has decided to look into Medical Marijuana and possibly adopt regulation. This would address the availability through physicians ordering and pharmacists dispensing of medical marijuana. The Availability of a clean, standardized, and lawful source of drug to the pharmacies was discussed at the February and May meeting. The Board believes that this will probably require some statutory authority, but more information is being compiled before proceeding.

Prescription Drug Monitoring Program: With the arrival of the grant for \$400,000 the program has been proceeding. The Board is currently working on a regulations draft. The program is still targeted to begin early in 2011.

National Association of Boards of Pharmacy: The Board of Pharmacy continued to participate in the process of keeping current the pool of questions for the law exam given to a pharmacist prior to licensing in Alaska. This is a formal exam called the Multi-State Pharmacy Jurisprudence Examination (MPJE), operated by NABP, which requires an Alaska pool of questions to be reviewed annually and new

questions added. This year instead of travel to Chicago, two Board members were able to review the questions online, and then approve or delete them and add others.

Licensing Actions: The Board conducted reviews of licensing issues as presented by the Board Investigator and Paralegal and actions were passed as warranted. Continuing education audits were also reviewed and acted on as warranted.

The Board of Pharmacy strives to ensure safe pharmacy practice throughout the State of Alaska, to keep informed of pharmacy practice advances, act according to the public interest and operate objectively and lawfully. Being mindful of operating costs, the Board should have no problem operating in the black in the coming fiscal year, and this is after a substantial reduction in licensure fees for the current two year license period beginning July 1, 2010.

Respectfully submitted,
Richard C. Holm, R.Ph.
Chair, Alaska Board of Pharmacy

**ALASKA STATE BOARD OF PHARMACY
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BUDGET RECOMMENDATIONS FOR FY 2011**

Hold four meetings per year at approximately \$4800 each	\$19,200.00
Travel and per diem for one board member to Region 7 NABP Meeting	\$1,900.00
Travel and per diem for two board members to Annual NABP Meeting	\$3,800.00
Travel and per diem for two board members to attend (MPJE) Multi-State Jurisprudence Exam Review Meeting – costs covered by NABP	\$0.00
TOTAL COSTS	\$24,900.00

- Attendance at Regional and National NABP meetings allows the board to remain aware of national and local issues concerning the practice of pharmacy as well as participate in programs for licensee testing and reciprocation of professional licenses.

- Participation at annual Multi State Jurisprudence Exam(MPJE) Review Meeting is required by NABP member boards to evaluate and update the exam question pool.

ALASKA STATE BOARD OF PHARMACY
FY 2010 ANNUAL REPORT
RECOMMENDATIONS FOR PROPOSED LEGISLATION FOR FY 2011

Focus Area (Check all that apply)

- Economic Development
- Government Within Our Means
- Personal Responsibility / Empowering Alaska's Families
- Administrative Legislation (Sunsets, etc.)

1. Subject and Proposed Language (include intent and statutory reference)

Add New Section: Statutory authority to regulate medical marijuana would need to be added to the 08.80.030 Powers and Duties of the Board.

Background Information: Although Alaska law permits use of marijuana for certain medical needs, there is no provision for obtaining the drug legally and no provision existing to ensure safe, clean reliable sources. Federally, the DEA, last year, announced they will no longer be enforcing medical marijuana issues. That being the case, it would appear a logical and necessary step for the State of Alaska to set up a means of handling and regulating this legal use to ensure safety, purity of product, standardization of potency and a reliably available legal source. Revenues could be realized to offset any costs for this service through licensure and also taxation of product. Availability would be realized through licensed, approved growers within Alaska. Growers would be required to be licensed by the Board of Pharmacy, obtain a manufacturer's license, obtain wholesale drug license, provide security as set forth by state and federal law and provide record keeping including quantities and weights as set forth by state and federal law. These obligations would be applied from beginning to end, "from seed to the finished product."

2. Explain the benefits the proposed legislation would provide.

Alaska law permits use of marijuana for certain medical needs. However, there is no provision for obtaining the drug legally and no provision existing to ensure safe, clean reliable sources.

3. Explain the consequences, if any, of not implementing the proposed statutory change.

Alaska residents who have a legal prescription for medical marijuana may either have to go without this prescribed treatment or acquire unsafe, uncontrolled product from the streets. A secondary goal is to avoid the creation of multiple unregulated marijuana "stores," such as has occurred in California.

4. Describe any potential negative impacts of this legislation and how they would be minimized.

No negative impact is foreseen.

5. Who do you anticipate will support the bill and why? Include municipalities, groups, etc...

Support will come from the Alaska Pharmacists Association, the National Association of Boards of Pharmacy, the Alaska Board of Pharmacy, the Drug Enforcement Administration, Alaska residents (and their caregivers) who have or will have prescriptions for medical marijuana and the pharmacists who now have no means to fill existing prescriptions.

6. Who do anticipate will oppose the bill and why?

There is no foreseeable opposition to this bill.

7. What other state departments will be affected by this legislation? Have you discussed the impact with the affected departments, and if so who and do they support this bill?

The State Department of Taxation may be affected by this legislation as it is anticipated tax revenue would be generated. During the May, 2010 Board of Pharmacy meeting the proposed legislation was more clearly defined by the board and a unanimous consensus to pursue the legislation was obtained. In the short time since May, the Department of Taxation has not been consulted because the concept is still in its initial stages.

8. Identify and describe any previous state or federal legislation or similar efforts in other states which affect or relate to this proposal.

At the May, 2010 Board of Pharmacy meeting, the board discussed the similarities and differences in medical marijuana program implementation details among fourteen states which have enacted laws to legalize medical marijuana. This information was provided by ProCon.org via the National Association of Boards of Pharmacy.

9. Has this bill topic been previously introduced in the legislature? If so, what was the final outcome and why?

No, this topic has not been previously introduced in the legislature.

10. In the event questions should be raised during review of this request, please indicate below which board member should be contacted:

Richard Holm, Chair

ALASKA STATE BOARD OF PHARMACY
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RECOMMENDATIONS FOR PROPOSED LEGISLATION FOR FY 2011

Focus Area (Check all that apply)

- Economic Development
- Government Within Our Means
- Personal Responsibility / Empowering Alaska's Families
- Administrative Legislation (Sunsets, etc.)

1. Subject and Proposed Language (include intent and statutory reference)

Add new section: AS 08.80.159. **Registration of wholesale drug distributors** located outside of the state. A manufacturer or wholesale distributor of drugs and related devices located outside of the state that ships, mails or delivers prescription drugs to persons, businesses or government agencies in the state of Alaska that may legally purchase drugs must be registered with the Board of Pharmacy.

Background information: The request for legislation is prompted by an increase in prescription drug counterfeiting on a national level with highly sophisticated counterfeit drugs infiltrating the supply of prescription medications and reaching end-user consumers with great potential for harm. One source of the problem has been identified as multiple wholesale transactions that may take drugs outside of the usual distribution chain. Increased scrutiny and regulation of drug wholesale distributors by state oversight is seen as a solution and is being enacted by states across the US.

2. Explain the benefits the proposed legislation would provide.

The proposed legislation would help assure the delivery of safe, controlled, non-counterfeit medications to Alaska residents.

3. Explain the consequences, if any, of not implementing the proposed statutory change.

States that do not license out of state wholesale distributors are more susceptible to receiving counterfeit medications and have no recourse when that occurs.

4. Describe any potential negative impacts of this legislation and how they would be minimized.

No negative impacts foreseen.

5. Who do you anticipate will support the bill and why? Include municipalities, groups, etc...

Support will come from the Alaska Board of Pharmacy, Alaska Pharmacists Association and the National Association of Boards of Pharmacy.

6. Who do anticipate will oppose the bill and why?

We are unaware of any in-state opposition.

7. What other state departments will be affected by this legislation? Have you discussed the impact with the affected departments, and if so who and do they support this bill?

No other departments will be directly affected by this bill.

8. Identify and describe any previous state or federal legislation or similar efforts in other states which affect or relate to this proposal.

Only five states currently do not license out of state wholesale distributors including Alaska, Hawaii, Massachusetts, Pennsylvania and Utah. Pennsylvania and Utah are working on legislation and regulations for out-of-state wholesale distributors.

9. Has this bill topic been previously introduced in the legislature? If so, what was the final outcome and why?

No.

10. In the event questions should be raised during review of this request, please indicate below which board member should be contacted:

Richard Holm, Chair.

ALASKA STATE BOARD OF PHARMACY
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REGULATION RECOMMENDATIONS FOR FY 2011

1. Shared Pharmacy Regulations 12 AAC 52.443 - 12 AAC 52.445 and 12 AAC 52.995: Regulations adopted by the Board of Pharmacy during their last meeting and will be forwarded to the Lt. Governor for signature.
2. Job Shadowing 12 AAC 52.250: Adopted by the Board of Pharmacy: Regulations adopted by the Board of Pharmacy during their last meeting and will be forwarded to the Lt. Governor for signature.
3. Remote Pharmacies 12 AAC 52.423: Draft regulations were forwarded to the Regulations Specialist after the last board meeting.

ALASKA STATE BOARD OF PHARMACY
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GOALS AND OBJECTIVES FOR FY 2011

1. The board will continue to educate licensees regarding the Pharmacy Practice Act and pharmacy regulations.
2. The board will continue to provide input and comment on any proposed legislation/regulations involving medications or pharmaceutical care.
3. The board will continue to promote effective patient counseling by licensees.
4. The board will continue to assess and evaluate the Multi-state Pharmacy Jurisprudence Examination (MPJE).
5. The board will continue to assess and evaluate the jurisprudence practice exam and its effectiveness as a learning tool for interns.
6. The board will continue to assess and evaluate the licensing of pharmacy technicians.
7. The board will continue its affiliation with NABP and send one board member to the District Seven NABP meeting and two members to the annual NABP meeting. The Division's budget currently allows only one out-of-state travel per fiscal year; this was generally used for attendance at the District Seven NABP meeting.
8. The board will continue to evaluate the impact of current regulations and the need for new regulations.
9. The board will continue to evaluate regulations regarding collaborative practice, and to establish procedures for reviewing/approving appropriate protocols for collaborative practice.
10. The board will assess and evaluate the growing public concern regarding abuse of illicit and prescription drugs, internet pharmacies, counterfeit drugs and development of a prescription drug monitoring program.

ALASKA STATE BOARD OF PHARMACY
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SUNSET AUDIT RECOMMENDATIONS

A Sunset Review for the Board of Pharmacy was issued on November 12, 2009. The Legislative Audit contained three recommendations:

1. The Board of Pharmacy should approve Collaborative Practice Agreements in accordance with regulations. The process to review and approve Collaborative Practice Agreements has been modified to include a review checklist for each agreement submitted. The checklist is based on the Collaborative Practice regulations. The board has reviewed this document and agrees its implementation will help assure ongoing compliance.
2. DCCED's professional licensing administrative officer should improve administrative support. This recommendation has been addressed internally within the division.
3. Board of Pharmacy and staff within the Office of the Governor should work together to increase the pool of qualified applicants available for board appointments to ensure full representation. Since this recommendation was made, the Board of Pharmacy has increased to its full seven member capacity. Working with Boards and Commissions, the vacant public member seat was filled in March, 2010.

FISCAL YEAR 20____ STATISTICAL OVERVIEW

Program: _____

AS 08. _____

12 AAC _____

Name of Individual Completing Report: _____

Date: _____

CATEGORY	NEW – ISSUED DURING FY 20____	TOTAL AS OF 6/30/____	EXAMINATION/ CREDENTIAL
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A. Current Active Licenses, Endorsements, Permits

(student, locum tenens, limited, courtesy licenses)

List type and if issued by examination or credential, as applicable

(Do not list “temporary permits” or “temporary licenses”)

Example: License Type	10	250	Exam: 6 Credentials: 4
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
TOTAL			

B. Current Inactive Licenses (not lapsed licenses)

(Only Medical, Chiropractic, CPA, and Real Estate)

CATEGORY	TOTAL AS OF 6/30/____
1.	
2.	
3.	
4.	
TOTAL	

