

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1054

2007 HOUSE HUMAN SERVICES

HB 1054

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB1054

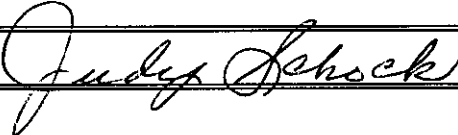
House Human Services Committee

Check here for Conference Committee

Hearing Date: 01/09/2007

Recorder Job Number: 781

Committee Clerk Signature



Minutes:

Chairman Price: calling the meeting to order, all present, and opening HB 1054.

Howard Anderson, Executive Director of the ND State Board of Pharmacy: See attached.

Chairman Price: On top of page 8, you changed the language, is there any need to change that on the bottom of page 7?

Mr. Anderson: I will have to check with the attorney. It is all the same paragraph, so it seems consistent. We could put the language in both places.

When a pharmacy closes we have not had a requirement to notify patients.

Pharmacy Intern is licensed with us with in one year of college, should they get a DUI or other problems.

Representative Porter: In Section 7, I am not sure you touched on that at all, on the new reporting requirements. That seems to be all new language, on page 13.

Mr. Anderson: Yes it is

Representative Porter: We are putting in a requirement on law enforcement agencies to have a responsibility back to the Board of Pharmacy. How do you envision that to work? Also going down to the penalties on line 26, there is a penalty of a class B misdemeanor back against that agency, because you use the word agency or health care institutions. That allows

the Board of Pharmacy to charge out a class B misdemeanor against the law enforcement office for not recording that they pulled over a pharmacist for suspicion of DUI? Why the different levels of penalty?

Mr. Anderson: If they should discover something about someone that we would not know they are to report that to us. Obviously that has to be consistent with other legal requirements in ND on going investigation and those kinds of things. In answer to your second question, It sure looks like that doesn't it? This is consistent with we have now in the medical board's language. I think the difference in penalties over a licensee is probably more significant than that the Board of Pharmacy is after their livelihood, than it is if they were charged a misdemeanor. I don't have a problem with putting in a misdemeanor for all of them. We felt it was more serious this way than to charge them with a class misdemeanor.

Chairman Price: So you have any intentions of raising the fee at this time?

Mr. Anderson: \$200.00 is the cap, and 50% goes to the pharmacy association. This became effective March 1, 2006. I don't think our board has any intentions at this time. The Association has asked we do that because they think they need more money.

Kim Christiansen: I have been a pharmacist for 30 years, and have concerns about HB 1054. See attached. We are questioning the need for the increase of this cap. If they have \$700.00 now, why are they not utilizing that? Why is that there as a reserve?

Joan Johnson: I am lobbyist for the NDSP testifying for myself, and those who could not be here. I have person knowledge that this group is a 390 member. People who work in non-profit organizations, 177 against and 32 are for. I am speaking for myself.

John Savageau: I am a hospital pharmacist. We are trying to hire younger graduates. We need incentive for keep them here. We have the most expensive license of all the states, or surrounding states. This is not a good message for the young people.

Chairman Price: Any questions? Is there any other opposition? If not we will close HB 1054

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1054

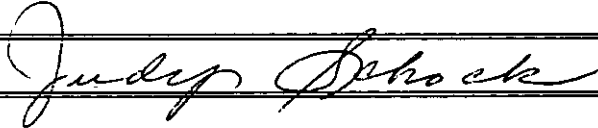
House Human Services Committee

Check here for Conference Committee

Hearing Date: 01/10/2007

Recorder Job Number: 882

Committee Clerk Signature



Minutes:

Chairman Price: Take out HB 1054, and discuss it.

Representative Porter: The biggest concern is the issue of increasing of fees. It is the association's way of raising money. The board gets 50%. They have over a half million dollars in the bank. I am totally opposed to raiding the fees. Typically when someone comes in and asks for a raise to a higher level, after the bill passes the raise actually takes place.

Representative Conrad moves to amend the over strike. **Representative Kaldor** seconds.

All are in favor. Committee will not vote to pass at this time. Committee has some discussion on the class B misdemeanor. There seems to be a double standard. **Representative Porter** wants to talk the board of medical examiners on how they use it. How the failure to report to the board what is the severity of punishment to pharmacy.

Chairman Price adjourns the committee.

2007 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1054

House Human Services Committee

Check here for Conference Committee

Hearing Date: January 16, 2007

Recorder Job Number: 1200

Committee Clerk Signature

Judith Schock

Chairman Price: Let's discuss HB 1054, page 7 line 30, amend strike pharmacist. The language needs to be consistent with what they had on top of page 8. On page 13, line 28 amends, makes them guilty of a class B misdemeanor. The language on section 7 prior to any amendments, just the way it was presented in the bill, is identical to the board of medical examiners. Is it realistic? No. Only these two would have this specific language. There is nothing different in the century code except for the class B misdemeanor. Why clutter up code? Anyone dealing with medicine should have the same language. You can not charge the state with a misdemeanor

Representative Porter motioned to move the amendments **Representative Potter** seconds the motion, Verbal vote all yeas. **Representative Porter** I move a do pass on the amendments, **Representative Potter** seconds. That would remove the fiscal impact. 9 yeas 1 nay and 2 absent. Representative Porter to carry to the floor.

FISCAL NOTE
 Requested by Legislative Council
 01/22/2007

Amendment to: HB 1054

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$2,000	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Adds definitions. Includes technicians in unprofessional conduct. Changes the amount Board board members get for per diem. Requires reporting to the board of things that may warrant investigations.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The only expected impact of this bill as amended is \$2000 for rule making relative to the reporting requirements.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

None of these funds are included in the executive budget or any appropriated funds.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

No FTE increases are anticipated. Only rulemaking expenses might be a result of this legislation. Changes in the per diem for board members will not result in any increase in expenditures, only the way those expenditures are accounted for.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

No appropriated money is involved.

Name:	Howard C. Anderson	Agency:	Board of Pharmacy
Phone Number:	328-9535	Date Prepared:	01/22/2007

FISCAL NOTE
 Requested by Legislative Council
 12/26/2006

Bill/Resolution No.: HB 1054

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$140,000	\$0	\$140,000
Expenditures	\$0	\$4,000	\$0	\$133,000	\$0	\$133,000
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Adds definitions. Includes technicians in unprofessional conduct. Increases cap allowed for pharmacist license fees and dues to the ND Pharmacists' Association. Changes the amount Board board members get for per diem. Requires reporting to the board of things that may warrant investigations.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

No appropriated funds are affected by this bill. Rule making costs will amount to \$4000. \$175 to \$350 in license fees may be generated by The ADS category of license. The total amount of money spent on board members will not change, just the way it has been calculated. License fee increases are subject to rule making and at most would generate \$140000 per year, one-half of which would go to the Pharmacists Association. We know the Association is interested in an increase, but the amount and timing will be determined by rule. The Board would spend it's additional funds on Professional Practice initiatives to benefit the public.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

None of these funds are included in the executive budget or any appropriated funds. The maximum revenue the increase could generate would be \$280000 per biennium, one half of which is allocated by NDCC 43-15-13.4 to the North Dakota Pharmacists Association.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

Fifty percent of any revenue generated by increasing the license fee through a rule making process is automatically allocated to the Pharmacists Association according to NDCC 43-15-13.4. The Board spends it's money for

enforcement and inspection activities, as well as funding pharmacy practice research and improvements which can benefit the public who are the patients of our pharmacists. No FTE increases are anticipated.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

No appropriated money is involved.

Name:	Howard C. Anderson Jr.	Agency:	Board of Pharmacy
Phone Number:	7013289535	Date Prepared:	12/26/2006

Date: 4/10/11
Roll Call Vote #: 1

HB 1054

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. "Click here to type Bill/Resolution No."

House HUMAN SERVICES Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Amendment

Motion Made By Conrad Seconded By Kaldor

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price – Chairman			Kari L Conrad		
Vonnie Pietsch – Vice Chairman			Lee Kaldor		
Chuck Damschen			Louise Potter		
Patrick R. Hatlestad			Jasper Schneider		
Curt Hofstad					
Todd Porter					
Gerry Uglen					
Robin Weisz					

Total (Yes) 12 "Click here to type Yes Vote" No 0 "Click here to type No Vote"

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

House Amendments to HB 1054 (78053.0101) - Human Services Committee 01/17/2007

Page 1, line 3, remove "43-15-25,"

House Amendments to HB 1054 (78053.0101) - Human Services Committee 01/17/2007

Page 7, line 30, overstrike "licensed"

Page 7, line 31, overstrike "pharmacist" and insert immediately thereafter "pharmacy intern or pharmacy technician"

House Amendments to HB 1054 (78053.0101) - Human Services Committee 01/17/2007

Page 8, line 1, overstrike "license" and insert immediately thereafter "registration" and overstrike "licensed"

Page 8, line 3, overstrike "licensed"

House Amendments to HB 1054 (78053.0101) - Human Services Committee 01/17/2007

Page 12, remove lines 8 through 21

House Amendments to HB 1054 (78053.0101) - Human Services Committee 01/17/2007

Page 13, line 12, replace "person's" with "individual's", remove "licensee's", and after "actions" insert "of the licensee or registrant"

Page 13, line 13, after "licensee" insert "or registrant"

Page 13, line 28, after "is" insert "guilty of a class B misdemeanor and is"

Renumber accordingly

Date: 4/16
Roll Call Vote #: 2

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. "Click here to type Bill/Resolution No."

House HUMAN SERVICES HB 1054 Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Move Amendments

Motion Made By Rep Porter Seconded By Rep Potter

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price – Chairman			Kari L Conrad		
Vonnie Pietsch – Vice Chairman			Lee Kaldor		
Chuck Damschen			Louise Potter		
Patrick R. Hatlestad			Jasper Schneider		
Curt Hofstad					
Todd Porter					
Gerry Uglem					
Robin Weisz					

Total (Yes) 12 "Click here to type Yes Vote" No "Click here to type No Vote"

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 4/16
Roll Call Vote #: 3

2007 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. "Click here to type Bill/Resolution No."

House HUMAN SERVICES HB 1054 Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken no pass as amended.

Motion Made By Rep Porter Seconded By Rep Potter

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairman	✓		Kari L Conrad		
Vonnie Pietsch - Vice Chairman	✓		Lee Kaldor		
Chuck Damschen	✓		Louise Potter	✓	
Patrick R. Hatlestad	✓		Jasper Schneider	✓	
Curt Hofstad	✓				
Todd Porter	✓				
Gerry Uglem	✓				
Robin Weisz	✓	✓			

Total (Yes) 9 "Click here to type Yes Vote" No 1 "Click here to type No Vote"

Absent 2

Floor Assignment Rep Porter

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1054: Human Services Committee (Rep. Price, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS** (9 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). HB 1054 was placed on the Sixth order on the calendar.

Page 1, line 3, remove "43-15-25,"

Page 7, line 30, overstrike "licensed"

Page 7, line 31, overstrike "pharmacist" and insert immediately thereafter "pharmacy intern or pharmacy technician"

Page 8, line 1, overstrike "license" and insert immediately thereafter "registration" and overstrike "licensed"

Page 8, line 3, overstrike "licensed"

Page 12, remove lines 8 through 21

Page 13, line 12, replace "person's" with "individual's", remove "licensee's", and after "actions" insert "of the licensee or registrant"

Page 13, line 13, after "licensee" insert "or registrant"

Page 13, line 28, after "is" insert "guilty of a class B misdemeanor and is"

Renumber accordingly

2007 SENATE HUMAN SERVICES

HB 1054

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1054

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: 2-26-07

Recorder Job Number: 3848

Committee Clerk Signature

Mary K Morrison

Minutes:

Chairman Senator J. Lee opened the hearing on Engrossed HB 1054 relating to pharmacy closings and reporting requirements.

Howard Anderson (Executive Director, Board of Pharmacy) testified in support of HB 1054.

This is an agency bill and addresses some of the things the board of pharmacy wants to fix. See attachment #1.

Senator J. Lee asked if there is any incentive for self reporting.

Mr. Anderson responded that there is. He went on to explain that there is a contract they need to sign and as long as they comply with that contract with the pharmacists committee there isn't disciplinary action. If the contract is broken, they are reported back to the board who can take disciplinary action.

Senator J. Lee asked if they would have a tougher outcome if someone else reports them and they did not report themselves.

Mr. Anderson replied they probably would, although there is no statute which says that.

Senator Warner asked Mr. Anderson to discuss section 5 (meter 09:00).

Mr. Anderson explained that a permit holder could be an individual or a company etc. and they would have a pharmacist in charge. Every pharmacy has to have a pharmacist in charge and

that is the person the board holds responsible for the professional issues related to that pharmacy. Sometimes what is seen is that an employed pharmacist just leaves which leaves the permit holder in a bad situation (meter 10:25).

According to law a pharmacist in charge does not necessarily have to have any ownership in the business.

Senator Warner asked what happens to the inventory of a pharmacy that closes.

Mr. Anderson replied that, typically, if the packages are unopened the wholesaler will take some back. HB 1455, the wholesale pedigree bill, actually has a section which addresses that. Unopened packages usually can go back to the wholesaler and can be resold to another pharmacy. Neighboring pharmacies can typically be found to take the opened packages and dispense them to their patients. If there are products that nobody wants, they have to be destroyed.

There was no opposing or neutral testimony.

The hearing on HB 1054 was closed.

Senator Heckaman wondered where the funding comes from to pay the reimbursement.

Mr. Anderson explained that the money now comes from license fees.

Senator Warner moved a Do Pass on engrossed HB 1054.

Senator Heckaman seconded the motion.

Roll call vote 6-0-0. Motion carried. Carrier is Senator Warner.

Date: 2-26-07

Roll Call Vote #: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1054

Senate HUMAN SERVICES Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Sen. Warner Seconded By Sen. Heckaman

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V. Chair	✓		Senator Jim Pomeroy	✓	
Senator Dick Dever	✓		Senator John M. Warner	✓	

Total (Yes) 6 No 0

Absent 0

Floor Assignment Senator Warner

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1054, as engrossed: Human Services Committee (Sen. J. Lee, Chairman)
recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
Engrossed HB 1054 was placed on the Fourteenth order on the calendar.

2007 TESTIMONY

HB 1054



BOARD OF PHARMACY
State of North Dakota

John Hoeven, Governor

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Bonnie J. Thom, R.Ph.
Granville, President
Gary W. Dewhirst, R.Ph.
Hettinger, Senior Member
Dewey Schlittenhard, MBA, R.Ph.
Bismarck
Rick L. Detwiller, R.Ph.
Bismarck
Laurel Haroldson, R.Ph.
Jamestown
William J. Grosz, Sc.D., R.Ph.
Wahpeton, Treasurer

TESTIMONY ON HOUSE BILL No. 1054
43-15 - Pharmacy Practice

House Human Services committee
8:00 AM -Tuesday - January 2007 -Fort Union Room

Chairman Price, members of the House Human Services Committee, for the record I am Howard C. Anderson, Jr, R.Ph, Executive Director of the North Dakota State Board of Pharmacy. Thank you for the opportunity to speak with you today.

I will review the suggested changes in NDCC 43-15 pertaining to the Practice of Pharmacy in North Dakota and try to answer your questions.

On page 2, beginning with line 1, we have added a definition for an Automated dispensing system. This opportunity has come about because of our long standing efforts to convince the Drug Enforcement Administration (DEA), on a federal level to allow some flexibility for controlled substances in nursing homes. This might not have too much applicability in North Dakota because of our small size facilities. But, it does offer the opportunity to put some of the more expensive controlled substances in the device described here, then they can be released by the pharmacist for administration by the nurse, on a dose by dose bases, and eliminate some significant waste of medications. The cost of implementing such a system, and the units themselves are quite high, but, none the less, we wanted to have the enabling legislation in place, should anyone wish to avail themselves of the provision.

On page 7, line 20 you will notice that we have set the reimbursement for our board members at two-hundred dollars per day. The Board of Pharmacy has had a long standing practice of paying a per diem of twenty dollars a day and miscellaneous expenses, plus room and board. The twenty dollars was set in 1971. The miscellaneous expenses were set by the Board at one-hundred eighty dollars a day in about 1999. This will bring the two-hundred dollars a day we have been paying when Board Members attend our Board Meetings into the statute and then only specific vouchered expenses will be paid to Board Members. There is actually no change in the total amount we have been spending for the last several years, but, I thought this would more clearly place the practice in the statute. Salaries for Pharmacists are \$35-\$45 per hour in North Dakota. You can see that if an employee pharmacist were to serve on the Board, they would still be taking a significant reduction in reimbursement.

On page 8, lines 1, 2,3 and 4 we have added the pharmacy technician and pharmacy intern under the unprofessional conduct statute, so that if necessary, they could be disciplined under the same statute as a pharmacist, without needing to create an entirely new section pertaining to technicians and interns. Technicians particularly, have been increasingly becoming a more important part in the last 10 to 12 years, and along with that we have had some disciplinary issues with them.

On page 12, lines 5, 6 and 7 we have added a provision to allow the Board to require self-reporting, much like the Board of Medical Examiners does.

Also on page 12, line 15, you will see that we have asked for the authority of the, still subject to the rule making procedures, to increase the fee up to a maximum of four-hundred dollars. The last legislative cap was set in 1989 at two-hundred dollars and we just increased the fee, at the request of the North Dakota Pharmacists Association from \$150 to \$200 during this past year. Therefore, we thought it prudent at this time to ask for an increase the cap, making room for future increases as the necessity may arise.

A Representatives of Pharmacists Association is present at the hearing and I believe has testimony for you in this regard.

On page 13 we have added some specific information about closing a pharmacy and a new section on reporting requirements, which is modeled after the Board of Medical Examiners requirement.

Typically, what happens is we have a pharmacist, intern or technician employed at a facility or pharmacy and some issue comes up that causes them to quit their job or be terminated and no further questions are asked. We feel this is a disservice to the next person who might attempt to hire this individual and not know what is in their background. This will require those facilities or pharmacies that employed them, to report this to us, regardless of whether any specific formal disciplinary action was taken. This will avoid the possibility, to a large extent, that an impaired individual will be passed on to serve patients at another facility or pharmacy, unbeknownst to the employer, or the Board of Pharmacy.

Testimony on HB 1054

01-09-2007

Human Services Committee Members,

I am a practicing pharmacist for nearly 30 years, and have concerns about HB 1054, a bill proposed by the state Board of Pharmacy.

While I have no objection to a majority of the provisions in this bill, I have serious concerns about individual sections that I will outline below.

SECTION 4. AMENDMENT. Section 43-15-25 of the North Dakota Century Code is amended and reenacted as follows:

43-15-25. Term of license - Renewal - Fee - Where displayed. The license issued by the board to a pharmacist under the provisions of this chapter, and the registration thereof, shall entitle the holder to act in the capacity therein stated for one year unless duly canceled, suspended, or revoked. Every licensee who desires to retain a license, on or before the first day of March in each year, shall pay to the secretary of the board a renewal fee in an amount to be fixed by the board not to exceed four hundred dollars.

Prior to the last legislative session, the pharmacist yearly license fee was \$100.00/yr. The last legislature provided the Board of Pharmacy authority to raise this to \$200/yr, which the board promptly did. The Board of Pharmacy is now requesting that they now have the authority to raise the fee to \$400/yr.

I would request that your committee thoroughly question the executive secretary of the Board of Pharmacy, Howard Anderson, and require him justify the need for the authority to double the limit of the renewal fee.

As you may or may not be aware, years ago the board initiated a process where ½ of the pharmacist license renewal fees were designated for use by the Board of Pharmacy, and ½ of the renewal fees were designated to be passed from the board to the ND Pharmacists Association. While at the time, it seemed a fairly innocuous arrangement that would provide the ND Pharmacist Association funding to support it's organization. In hind sight, it was, in my opinion, inappropriate for the Board of Pharmacy to use licensing fees for this purpose. It is my understanding that a request to double the maximum limit for renewal fees last session and again doubling the maximum limit this session, was initiated by the ND Pharmacist Association in an effort to increase the funding of it's organization.

Adequate funding for the operation of the State Board of Pharmacy would be provided by a \$100.00/yr annual renewal fee, providing they would not be collecting an additional \$100.00 to be passed on to the ND Pharmaceutical Association. A review of the budget of the Board of Pharmacy as presented to the ND Pharmacist Association's Annual Meeting in April of 2006, shows adequate funding of the board at the current level, and further examination of board reserves indicate a reserve of around \$700,000.

The fiscal note attached to this bill indicates that the change could generate an additional \$140,000, \$70,000 of which would be passed on to the ND Pharmaceutical Association. Why should the ND Pharmacist Association receive any money from the ND Board of Pharmacy? The fiscal note indicates the rest would be used on Professional Practice initiatives to benefit the public. The Board already has a huge reserve that could and probably should be used to benefit the public.

Later Tuesday morning you will hear testimony on HR1148, requesting elimination of the current license funds transfer from the ND Board of Pharmacy to the ND Pharmacist Association. Should this bill be adopted, it will negate the need for any increases to the current license fee and potentially justify lowering

the limit. Since \$100 of the current \$200 fee is being passed on to the ND Pharmacist Association the board is actually, in my opinion, comfortably operating on revenues of \$100/license fee.

As a point of reference, I am currently maintaining 4 active pharmacy licenses and pay the following license fees: North Dakota(\$200/yr), Minnesota(\$105/yr), Wisconsin(\$97/2 years) and Arizona(\$145/2 years).

I would ask that you deny this increase in pharmacist license fees and give serious consideration to HB1148.

Sincerely,

Kim Christiansen, R.Ph.

1707 Valley Moor PI

Bismarck, ND 58501

701-223-6101

Testimony on HR1148.

01-09-2007

House Committee Members,

I am asking for your support of HR1148. This bill would effectively remove the current practice of the ND Board of Pharmacy funding the ND Pharmacist Association. It is my opinion that this relationship is not appropriate for the ND Board of Pharmacy or the ND Pharmacist Association. In order for the ND Pharmacist Association to be responsible to it's members, it needs to be dependent on it's membership's voluntary financial support. Since it receives automatic funding from the ND Board of Pharmacy, the board of directors has no incentive to respond to any opposition of it's policy. As a result of depending on the Board of Pharmacy for its funding, the association may feel pressure not to oppose the board.

The argument may be made that the ND Pharmacist Association will be weakened without the \$70,000/year funding provided by this mechanism. The ND Pharmacist Association would simply have to change its funding mechanism. By implementing a \$100/person voluntary membership fee, and having each of the 700 licensees voluntarily join the association, the \$70,000 loss in board funding would be negated. By removing the Board of Pharmacy from the formula, the association membership would gain an avenue of demanding accountability of the ND Pharmaceutical Association Board by choosing to join or not join the organization.

HR1054, on which hearings will be held Tuesday January 9, addresses raising the allowable license fee and if implemented, could provide \$140,000/yr to the ND Pharmacists Association. HR1054 also addresses a similar funding plan dealing with pharmacy technician registration allowing 1/2 of their registration fee to go to an appropriate technician association. Currently this association operates under the umbrella of the ND Pharmacist Association. I believe this practice should also be reviewed.

I would strongly urge your support of HR1148 to bring accountability to the Board of Pharmacy and the ND Pharmacist Association.

Sincerely,

Kim Christiansen, R.Ph.

1707 Valle Moor PI

Bismarck, ND 58501

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BOARD OF PHARMACY
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TESTIMONY ON HOUSE BILL No. 1054
43-15 - Pharmacy Practice

Senate Human Services committee
10:15 AM -Monday - February 26th 2007 - Red River Room

Chairman Lee, members of the Senate Human Services Committee, for the record I am Howard C. Anderson, Jr, R.Ph, Executive Director of the North Dakota State Board of Pharmacy. Thank you for the opportunity to speak with you today.

I will review the suggested changes in NDCC 43-15 pertaining to the Practice of Pharmacy in North Dakota and try to answer your questions.

On page 2, beginning with line 1, we have added a definition for an Automated dispensing system. This opportunity has come about because of our long standing efforts to convince the Drug Enforcement Administration (DEA), on a federal level to allow some flexibility for controlled substances in nursing homes. This might not have too much applicability in North Dakota because of our small size facilities. It does offer the opportunity to put some of the more expensive controlled substances in the device described here, then they can be released by the pharmacist for administration by the nurse, on a dose by dose bases, and eliminate some significant waste of medications. The cost of implementing such a system, and the units themselves are quite high, but, none the less, we wanted to have the enabling legislation in place, should anyone wish to avail themselves of the provision.

On page 7, line 20 you will notice that we have set the reimbursement for our board members at two-hundred dollars per day. The Board of Pharmacy has had a long standing practice of paying a per diem of twenty dollars a day and miscellaneous expenses, plus room and board. The twenty dollars was set in 1971. The miscellaneous expenses were set by the Board at one-hundred eighty dollars a day in about 1999. This will bring the two-hundred dollars a day we have been paying when Board Members attend our Board Meetings into the statute and then only specific vouchered expenses will be paid to Board Members. There is actually no change in the total amount we have been spending for the last several years, but, I thought this would more clearly place the practice in the statute. Salaries for Pharmacists are \$35-\$45 per hour in North Dakota. You can see that if an employee pharmacist were to serve on the Board, they would still be taking a significant reduction in reimbursement.

On page 7, lines 30, 31 and On page 8, lines 1, 2,3 and 4 we have added the pharmacy technician and pharmacy intern under the unprofessional conduct statute, so that if necessary, they could be disciplined under the same statute as a pharmacist, without needing to create an entirely new section pertaining to technicians and interns. Technicians particularly, have become a more important part of pharmacy in the last 10 to 12 years and along with that we have had some disciplinary issues with them.

On page 12, lines 5, 6 and 7 we have added a provision to allow the Board to require self-reporting, much like the Board of Medical Examiners does.

Also on page 12, beginning on line 18, we have added some specific information about closing a pharmacy and a new section on reporting requirements, which is modeled after the Board of Medical Examiners requirement.

Typically, what happens is we have a pharmacist, intern or technician employed at a facility or pharmacy and some issue comes up that causes them to quit their job or be terminated and no further questions are asked. We feel this is a disservice to the next person who might attempt to hire this individual and not know what is in their background. This will require those facilities or pharmacies that employed them, to report this to us, regardless of whether any specific formal disciplinary action was taken. This will avoid the possibility, to a large extent, that an impaired individual will be passed on to serve patients at another facility or pharmacy, unbeknownst to the employer, or the Board of Pharmacy.

Thank you.