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Board of Pharmacy

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<https://mn.gov/boards/pharmacy/>

AT A GLANCE

Board Members and Staff (as of 7/1/2024)

- 9 board members (six pharmacists and three public members) appointed by the Governor
- 23 full time employees

Licenses & Registrations Issued (as of 7/1/2024)

- 21,216 individuals
- 4,168 businesses

Inspections (for FY 2023 and 2024)

- 558 inspections of licensed resident facilities, including pharmacies, drug manufacturers and wholesalers, and medical gas distributors

Complaint & Discipline (for FY 2023 and 2024)

- 349 new jurisdictional complaints received
- 252 jurisdictional complaints resolved
- 67 disciplinary actions taken

Prescription Monitoring Program (PMP) (for calendar year 2023)

- 6.57 million controlled substance prescriptions reported to Prescription Monitoring Program (PMP)
- 29,196 enrolled PMP Users (~15% increase since calendar year 2021)
- 5,994,888 million database queries (~46% increase since calendar year 2021)

PURPOSE

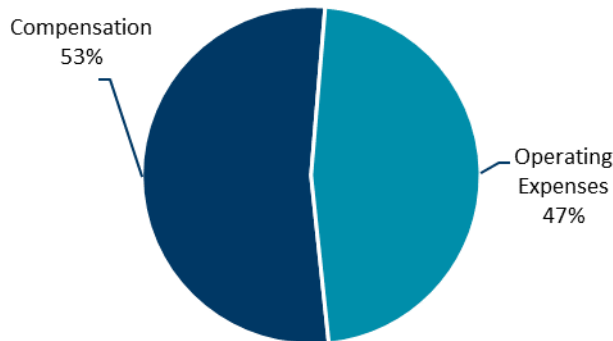
The Board's mission is to preserve and protect the public health, safety, and welfare of Minnesotans by promoting the safe distribution of pharmaceuticals and the provision of quality pharmacy care.

The Board fulfills this mission through examination and licensure of pharmacists, regulation of the practice of pharmacy, regulation of the manufacturing and distribution of pharmaceuticals, inspection of licensed facilities, investigation of complaints, and the issuance of disciplinary orders and agreements for corrective action. Board staff also help educate pharmacists and others about laws, rules and best standards of practice. The Board provides information to the public on its website related to the practice of pharmacy and prescription drugs.

The Board also administers several programs, including: The Minnesota Prescription Monitoring Program, the Opiate Product Fee Registration Program, and the Minnesota Insulin Safety Net Program.

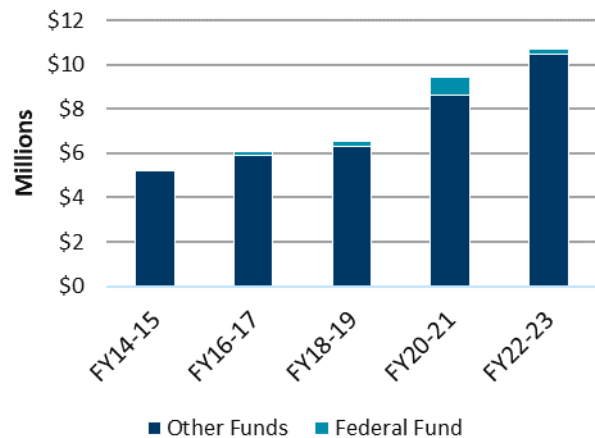
BUDGET

**Spending by Category
FY 2023 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

The Board is mostly funded by licensure fees and, with two recent and temporary exceptions for the Opiate Product Registration Fee Program and the Insulin Safety Net Program, has received no general fund or healthcare access fund dollars. Minnesota Statutes section 214.06, subdivision 1(a) requires the Board to collect fees in the amount sufficient to cover direct and indirect expenditures. Funds are deposited as non-dedicated revenue into the state government special revenue fund. From this fund, the Board receives a direct appropriation to pay for agency expenses such as salaries, rent, costs associated with disciplinary/contested cases and operating expenditures. It also pays statewide indirect costs through an open appropriation.

In addition to Board operations, licensure fees fund activities that support other boards and agencies. Some of these are: the Administrative Services Unit (inter-board), Health Professionals Services Program (inter-board), Prescription Monitoring Program (Pharmacy Board), Office of the Attorney General for legal services, and the Criminal Background Check Program (inter-board).

STRATEGIES

The Board's primary strategy is to promote adherence to state and federal laws and rules relating to the practice of pharmacy and the manufacturing and distribution of drugs. Another, equally important strategy is to promote the adoption of cutting-edge standards of practice that go beyond the minimum requirements specified in the statutes and rules. The Board's activities can be divided into several areas of focus:

Licensing. Licensing is the Board's "foundation," on which most activities ultimately rest. The ability to issue licenses and registrations empowers the Board to inspect facilities, investigate complaints, and take disciplinary action when necessary. In addition, the Board is primarily funded by the licensing and registration fees that it collects. Most of the Board's staff members are involved in some aspect of the licensing process. Administrative staff members process applications and work with the National Association of Boards of Pharmacy to make sure that applicants for a pharmacist license have passed the required examinations. Compliance staff members conduct initial inspections of facilities before they are allowed to be licensed.

Compliance. Activities in this area can be further divided as follows:

- **Inspections.** The Board licenses or registers over 2,000 in-state pharmacies, drug wholesalers, drug manufacturers, medical gas distributors and controlled substance researchers. Each in-state pharmacy is

inspected by a Board Surveyor before it can open. Subsequent, unannounced inspections are also periodically conducted.

- **Complaint Investigations.** The Board investigates every jurisdictional complaint it receives. A Board Surveyor visits the pharmacy in question, meets with pharmacy staff, reviews the policies and procedures of the pharmacy, and directs pharmacy staff to make necessary changes to policies and procedures. For cases involving certain issues, such as alleged physical or mental impairment of a licensee, the Board refers the matter to the Attorney General's Office (AGO) for investigation. The Surveyor or the AGO Investigator issues a report which is reviewed by the Board's Complaint Review Panel (CRP). CRP may dismiss the complaint if the allegations aren't proven or may refer the matter on for discipline.
- **Discipline.** If either the CRP or the Board's Executive Director (ED) determines that the evidence substantiates a serious violation of statutes or rules, the matter is turned into a disciplinary case. The ED works with the AGO to initiate the due process procedures that the Board must follow. The licensee or registrant is directed to appear before a Committee on Professional Standards, which weighs the available evidence. In most cases, if the Committee determines that discipline is warranted, it reaches a settlement agreement with the licensee or registrant. Such agreements, which must be approved by the full Board, usually involve the issuance of a disciplinary order which places limitations and conditions on the license or registration of the person or business that was investigated.
- **Consultations.** The Executive Director, Deputy Director, and Board Surveyors are licensed pharmacists with, collectively, nearly 200 years of experience working in a variety of pharmacy settings. As such, their advice is sought daily by pharmacists and other licensees and registrants. The ED, DD and Surveyors provide consultations on issues that are often extremely technical and complex. The goal of all consultations is to promote both adherence to laws and rules and the adoption of cutting-edge standards of practice and technology that help protect the health, welfare, and safety of citizens.

Policy, Regulatory and Legislative Activities. As new standards of practice emerge and new technologies are developed, the Board and its staff work to update guidance, rules, and statutes. Guidance helps licensees and registrants use new technologies and procedures in a way that best promotes the health, welfare, and safety of citizens. As new technologies and standards of practice become more broadly accepted, the Board will promulgate rules, as necessary, to replace the guidance or propose statutory changes. In addition, Board staff very frequently provide technical assistance to legislators and their staff on a variety of issues concerning pharmacy and drugs. The Board also works on policy issues with other local, state, and federal agencies, including local law enforcement agencies, county attorneys, the state Departments of Human Services and Health, the Minnesota Pollution Control Agency, the Bureau of Criminal Apprehension, the U.S. Drug Enforcement Administration, and the U.S. Food and Drug Administration.

Services for the General Public. Board staff provides direct services to the public. Staff provide information to the public in response to inquiries concerning the legal requirements and standards for pharmacy practice. The public can use the Board's online license verification system to verify that individuals and businesses are licensed by the Board and to determine if any disciplinary action has been taken against a licensee or registrant. The Board provides free copies of disciplinary orders to the public upon request.

Prescription Monitoring Program. The purpose of the Prescription Monitoring Program (PMP) is to promote public health, safety, and welfare by detecting abuse or misuse of controlled substances— drugs that have a high potential for abuse and addiction, such as narcotics and stimulants. The PMP collects information concerning controlled substance prescriptions dispensed for people residing in Minnesota. Prescribers, pharmacists, and certain Medicaid staff can access this data through a secure online system. The PMP is a tool that these authorized users can employ to detect if a patient is obtaining prescriptions from multiple prescribers and having them filled by multiple pharmacies. The Board encourages prescribers and pharmacists who identify individuals who appear to be engaged in such an activity to refer them for appropriate care – either chemical dependency treatment or pain management. Law enforcement officials can obtain data from the system as well, but only after obtaining a court-issued search warrant and serving it on the Board.

RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
In-state pharmacy inspections completed	Quantity	MN Board of Pharmacy Licensing Data	18.2% for FY 2023	28.7% for FY 2024
Complaints investigated and resolved within 12 months	Quality	MN Board of Pharmacy Complaint Data	73.2% for FY 2023	61.6% for FY 2024*
Individuals who receive prescriptions from five or more prescribers and have them filled at five or more pharmacies within a three-month period	Results	MN Prescription Monitoring Program	87 for 1/1/2022 – 3/31/2022	95 for 1/1/2023 – 3/31/2023

*As of the writing of this report, 12 months have not yet passed for most complaints received in fiscal year 2024 (7/1/2023 to 6/30/2024).

Sections of MN Statutes Chapters 151 (<https://www.revisor.mn.gov/statutes/?id=151>), 152 (<https://www.revisor.mn.gov/statutes/?id=152>) and 214 (<https://www.revisor.mn.gov/statutes/?id=214>) provide the Board of Pharmacy with legal authority to carry out its duties.

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27

Expenditures by Fund

1000 - General			699	1,737	468	468
1201 - Health Related Boards	4,025	4,511	4,536	5,923	5,083	5,083
2000 - Restrict Misc Special Revenue	42	26	25	107	108	111
2001 - Other Misc Special Revenue	607	1,025	1,086	345	173	
2005 - Opiate Epidemic Response	66	156	151	205	126	126
2360 - Health Care Access		1	0	114		
3000 - Federal	220	3	0	857	692	
Total	4,961	5,721	6,497	9,288	6,650	5,788
Biennial Change				5,104		(3,347)
Biennial % Change				48		(21)

Expenditures by Program

Pharmacy Board	4,961	5,721	6,497	9,288	6,650	5,788
Total	4,961	5,721	6,497	9,288	6,650	5,788

Expenditures by Category

Compensation	2,846	3,037	3,164	3,729	3,358	3,401
Operating Expenses	2,114	2,682	3,312	5,553	3,286	2,381
Other Financial Transaction	0	1	21	6	6	6
Total	4,961	5,721	6,497	9,288	6,650	5,788

Full-Time Equivalents

	20.76	23.14	21.65	26.09	22.14	22.04
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(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27
1000 - General						
Balance Forward In				1,269		
Direct Appropriation			1,968	468	468	468
Balance Forward Out			1,269			
Expenditures			699	1,737	468	468
Biennial Change in Expenditures				2,436		(1,500)
Biennial % Change in Expenditures						(62)
Full-Time Equivalents			0.02	0.10	0.10	0.10

1201 - Health Related Boards

Balance Forward In		637		690		
Direct Appropriation	4,403	4,403	5,226	5,233	5,083	5,083
Transfers Out		75				
Cancellations		454				
Balance Forward Out	378		690			
Expenditures	4,025	4,511	4,536	5,923	5,083	5,083
Biennial Change in Expenditures				1,923		(293)
Biennial % Change in Expenditures				23		(3)
Full-Time Equivalents	19.75	21.44	19.48	23.55	20.00	20.90

2000 - Restrict Misc Special Revenue

Balance Forward In	8	9	9	3	166	328
Receipts	40	17	19	320	320	320
Transfers In				184	188	191
Transfers Out				234	238	241
Balance Forward Out	5		3	166	328	487
Expenditures	42	26	25	107	108	111
Biennial Change in Expenditures				64		87
Biennial % Change in Expenditures				94		66
Full-Time Equivalents	0.26			0.09	0.09	0.09

2001 - Other Misc Special Revenue

Receipts	607	1,025	1,086	345	173	
Expenditures	607	1,025	1,086	345	173	

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Biennial Change in Expenditures				(201)		(1,258)
Biennial % Change in Expenditures				(12)		(88)
Full-Time Equivalents		0.71	1.35	1.40	1.00	

2005 - Opiate Epidemic Response

Balance Forward In	40	101	104	79		
Direct Appropriation	126	126	126	126	126	126
Balance Forward Out	100	72	79			
Expenditures	66	156	151	205	126	126
Biennial Change in Expenditures				134		(104)
Biennial % Change in Expenditures				60		(29)
Full-Time Equivalents	0.75	0.99	0.80	0.95	0.95	0.95

2360 - Health Care Access

Balance Forward In		76		76		
Direct Appropriation	76	76	76	38	0	0
Cancellations		151				
Balance Forward Out	76		76			
Expenditures		1	0	114		
Biennial Change in Expenditures				114		(114)
Biennial % Change in Expenditures						(100)

3000 - Federal

Receipts	220	3	0	857	692	
Expenditures	220	3	0	857	692	
Biennial Change in Expenditures				634		(165)
Biennial % Change in Expenditures				285		(19)

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Direct				
Fund: 1000 - General				
FY2025 Appropriations	468	468	468	936
Forecast Base	468	468	468	936
Fund: 1201 - Health Related Boards				
FY2025 Appropriations	5,233	5,233	5,233	10,466
Base Adjustments				
Current Law Base Change		(150)	(150)	(300)
Forecast Base	5,233	5,083	5,083	10,166
Fund: 2005 - Opiate Epidemic Response				
FY2025 Appropriations	126	126	126	252
Forecast Base	126	126	126	252
Fund: 2360 - Health Care Access				
FY2025 Appropriations	38	38	38	76
Base Adjustments				
Current Law Base Change		(38)	(38)	(76)
Forecast Base	38			
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	107	108	111	219
Forecast Base	107	108	111	219
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	345	173		173
Forecast Base	345	173		173
Fund: 3000 - Federal				
Planned Spending	857	692		692
Forecast Base	857	692		692
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	320	320	320	640

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	345	173		173
Fund: 3000 - Federal				
Forecast Revenues	857	692		692
<i>Non-Dedicated</i>				
Fund: 1201 - Health Related Boards				
Forecast Revenues	5,027	5,027	5,027	10,054
Fund: 2005 - Opiate Epidemic Response				
Forecast Revenues	13,046	13,046	13,046	26,092