

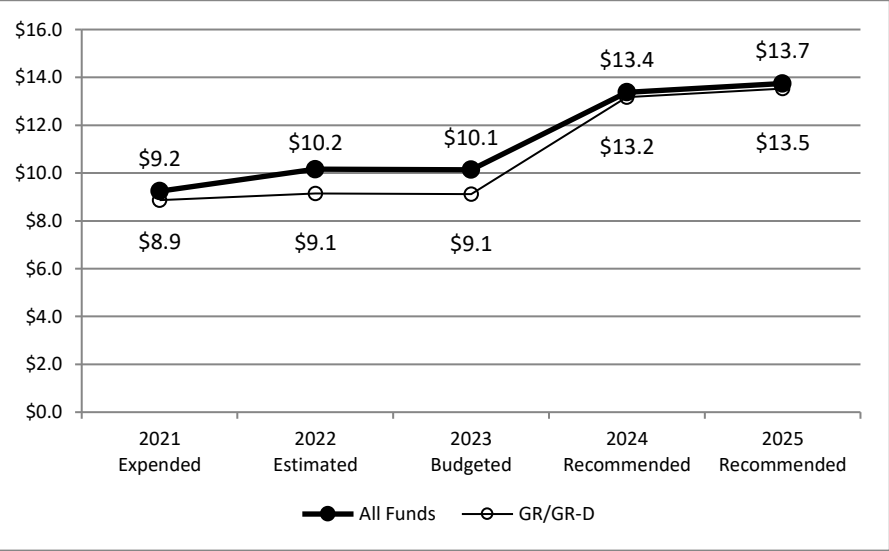
Board of Pharmacy Summary of Budget Recommendations - Senate

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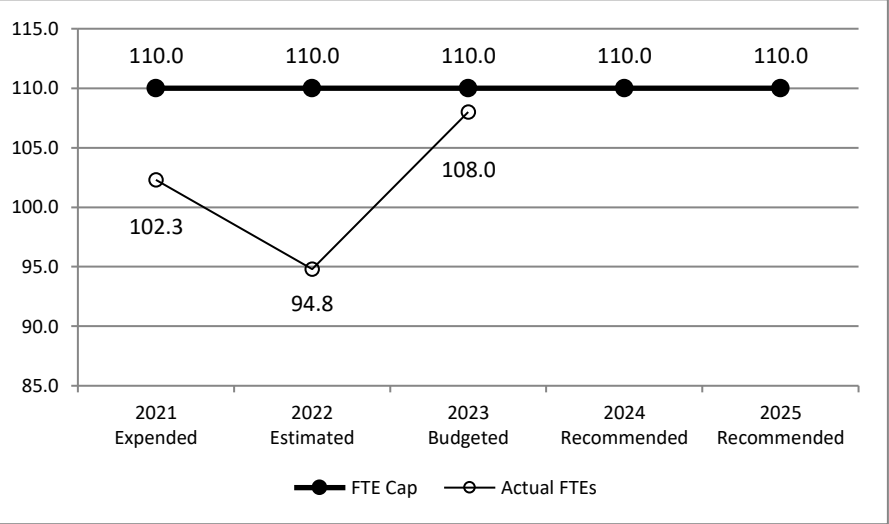
Method of Financing	2022-23 Base	2024-25 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$18,265,916	\$26,694,882	\$8,428,966	46.1%
GR Dedicated Funds	\$0	\$0	\$0	0%
Total GR-Related Funds	\$18,265,916	\$26,694,882	\$8,428,966	46.1%
Federal Funds	\$0	\$0	\$0	0%
Other	\$2,028,030	\$428,030	(\$1,600,000)	(78.9%)
All Funds	\$20,293,946	\$27,122,912	\$6,828,966	33.7%

	FY 2023 Budgeted	FY 2025 Recommended	Biennial Change	Percent Change
FTEs	108.0	110.0	2.0	1.9%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2024-25 Recommended) represents an estimated 100.0% of the agency's estimated total available funds for the 2024-25 biennium.

Board of Pharmacy
Summary of Funding Changes and Recommendations - Senate

Funding Changes and Recommendations for the 2024-25 Biennium compared to the 2022-23 Base Spending Level		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):							
1)	Increase funding for Narxcare and Statewide Integration for the Prescription Monitoring Program	\$7,401,500	\$0	\$0	\$0	\$7,401,500	B.1.3
OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):							
A)	Decrease funding for one-time costs associated with a Health Professions Council database upgrade (\$78,346) and capitol complex relocation (\$7,050).	(\$85,396)	\$0	\$0	\$0	(\$85,396)	B.1.1, C.1.1
B)	Increase funding for agency's portion of Health Professions Council Laserfiche upgrade costs.	\$10,456	\$0	\$0	\$0	\$10,456	A.1.1
C)	Decrease in Appropriated Receipts for an anticipated decrease in the production, printing, and sale of prescription pads due to an anticipated increase in the use of online prescription pads.	\$0	\$0	\$0	(\$1,600,000)	(\$1,600,000)	B.1.3
D)	Increase for the general state employee salary increase with amounts not subject to revenue collection requirements.	\$1,102,406	\$0	\$0	\$0	\$1,102,406	A.1.1, B.1.1, C.1.1, C.1.2
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		\$8,428,966	\$0	\$0	(\$1,600,000)	\$6,828,966	As Listed
SIGNIFICANT & OTHER Funding Increases		\$8,514,362	\$0	\$0	\$0	\$8,514,362	As Listed
SIGNIFICANT & OTHER Funding Decreases		(\$85,396)	\$0	\$0	(\$1,600,000)	(\$1,685,396)	As Listed

NOTE: Totals may not sum due to rounding.

**Board of Pharmacy
Selected Fiscal and Policy Issues - Senate**

1. **Prescription Monitoring Program.** Recommendations include \$10.8 million in General Revenue Funds in Strategy B.1.3, Prescription Monitoring Program, for the Prescription Monitoring Program (PMP) through which the agency collects and monitors prescription data for controlled substances for prescribers, pharmacies, and patients through an online database. All pharmacists and prescribers are required to check patient history in the PMP database before prescribing or dispensing certain controlled substances.

Included in Recommendations are two agency requests for enhancement services to the PMP totaling \$7.4 million in General Revenue for the following:

- \$3.3 million each year, or \$6.6 million for the biennium, for a new enhancement, Statewide Integration, which allows healthcare providers to immediately access a patient's history in the Prescription Monitoring Program through their electronic health records or pharmacy management system without needing to log in separately for each patient. This item allows users to save time by avoiding multiple log ins and integration of multiple portals.
- \$0.4 million each year, or \$0.8 million for the biennium, for a new enhancement, NarxCare, which aggregates and analyzes prescription information and presents visual, interactive information, including a patient risk score for accidental overdose death based on factors such as past exposure to controlled substances and the number of current controlled substance prescriptions. Narxcare also provides clinical alerts for harmful drug interactions. This item creates statistics and analytics instantly based upon the last 36 months of patient history.

Recommendations include a new rider 5, Prescription Monitoring Program, that designates the funding provided for these purposes is not subject to Appropriations Limited to Revenue Collection requirements.

**Board of Pharmacy
Rider Highlights - Senate**

Modification of Existing Riders

3. **Contingency for Behavioral Health Funds.** Recommendations include adding the Prescription Monitoring Program to the Statewide Behavioral Health Strategic Plan and Coordinated Expenditures.
4. **Appropriation of Official Prescription Form Fees.** Recommendations reduce the amount of Appropriated Receipts from fees collected from the sale of official prescription forms identified in the rider for the production, printing, and sale of official prescription forms from \$1,000,000 to \$200,000 for each fiscal year. This decrease reflects a reduction in the demand for and sale of printed prescription pads due an anticipated increase in the use of online prescription pads.

New Riders

5. **Prescription Monitoring Program.** Recommendations add a rider that identifies \$3.7 million in General Revenue each year of the biennium for the Prescription Monitoring Program for implementing Narxcare and Statewide Integration that is not subject to Appropriations Limited to Revenue Collections requirements.

Board of Pharmacy
Items Not Included in Recommendations - Senate

Section 5

	2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items Not Included (in agency priority order)

1)	General Revenue funding to fill vacant positions that includes equity adjustments, cost of living adjustments, and merit increases.	\$3,094,303	\$3,094,303	0.0	No	No	\$3,094,302
2)	General Revenue funding to address increases in court reporter costs, expert fees, and the agency's peer review contract.	\$201,692	\$201,692	0.0	No	Yes	\$201,692
3)	Legacy Items and upgrades. General Revenue funding to update the Texas Wholesale Distributor Database and the RxPad system. 1. \$200,000 for the Texas Wholesale Distributor Database: \$125,000 in fiscal year 2024 which includes one-time start up costs and \$75,000 each year after in annual maintenance. 2. \$1,084,944 for the RxPad system: \$988,944 in fiscal year 2024 which includes one-time start up costs and \$96,000 each year after in annual maintenance. 3. \$105,000 for the Bamboo's Enhanced Analytics: \$75,000 in fiscal year 2024 which includes one-time start up costs and \$30,000 each year after in annual maintenance. 4. \$24,000 to update the PMP with User Profile Management: \$12,000 annually.	\$1,413,944	\$1,413,944	0.0	Yes	Yes	\$426,000
4)	New positions. Request General Revenue appropriations with authority for an additional 10.0 FTEs to address increased agency workloads within the following agency functions: 1. Executive: Government Relations Specialist III (\$100,000 annually), Programmer V (\$110,000 annually), HR Specialist (\$55,000 annually). 2. Legal: Data Officer (\$100,00 annually). 3. Finance: Accountant IV (\$60,00 annually). 4. Enforcement: Program Specialist IV (\$60,000 annually). 5. Compliance: Compliance Officer-Pharmacist (\$120,000), Compliance Inspector 1-Pharmacy Technician (\$50,000 annually). 6. PMP: Program Specialist I (\$45,000 annually) and III (\$55,00 annually).	\$1,657,852	\$1,657,852	10.0	No	No	\$1,532,650

Board of Pharmacy
Items Not Included in Recommendations - Senate

		2024-25 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2026-27
		GR & GR-D	All Funds	FTEs			
5)	General Revenue Funds for an Exempt position salary increase for the Executive Director position from the current annual cap of \$148,923 in Group 4 to \$179,553 in Group 5 in FY 2024 and to \$186,966 in FY 2025.	\$61,260	\$61,260	0.0	No	No	\$61,260
6)	This agency participates in a database-sharing arrangement with the Texas Health Professional Council (HPC). HPC requires participating agencies to contribute funds based upon a predetermined allocation. Pharmacy Board's contribution to this request would be an additional \$60,232 in General Revenue.	\$60,232	\$60,232	0.0	No	No	\$59,488
TOTAL Items Not Included in Recommendations		\$6,489,283	\$6,489,283	10.0			\$5,375,392

**Board of Pharmacy
Appendices - Senate**

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* Appendix is not included - no significant information to report

Board of Pharmacy Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS					
Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
LICENSING A.1.1	\$2,028,006	\$2,058,046	\$30,040	1.5%	Recommendations include: a) Increase of \$15,803 in General Revenue funding for Salaries and Wages and associated costs for the expectation of being fully staffed. b) Increase of \$10,456 in General Revenue funding for an upgrade to HPC's Laserfiche system. c) Increase of \$3,781 in General Revenue for an Executive Director salary increase.
TEXAS.GOV A.1.2	\$502,212	\$502,212	\$0	0.0%	
Total, Goal A, MAINTAIN STANDARDS	\$2,530,218	\$2,560,258	\$30,040	1.2%	
ENFORCEMENT B.1.1	\$10,359,877	\$10,286,514	(\$73,363)	(0.7%)	Recommendations include: a) Decrease of \$84,483 in General Revenue funding for one-time funding associated with a Health Professions Council database upgrade in the 22-23 biennium and capitol complex relocation costs. (The remaining taken from part of C.1.1) b) Increase of \$11,120 in General Revenue for an Executive Director salary increase.
PEER ASSISTANCE B.1.2	\$588,405	\$588,404	(\$1)	(0.0%)	
PRESCRIPTION MONITORING PROGRAM B.1.3	\$4,976,876	\$10,841,176	\$5,864,300	117.8%	Recommendations include: a) Decrease of \$1,600,000 in Appropriated Receipts funding due to a decrease of printed prescription pads. b) Increase of \$62,800 in General Revenue funding for Salaries and Wages and associated costs for the expectation of being fully staffed. c) Increase of \$7,401,500 in General Revenue for Narxcare and Statewide Integration upgrades for the Prescription Monitoring Program.
Total, Goal B, ENFORCE REGULATIONS	\$15,925,158	\$21,716,094	\$5,790,936	36.4%	

Board of Pharmacy					
Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS					
Strategy/Goal	2022-23 Base	2024-25 Recommended	Biennial Change	% Change	Comments
LICENSING - INDIRECT ADMINISTRATION C.1.1	\$267,024	\$256,472	(\$10,552)	(4.0%)	Recommendations include: a) Decrease of \$913 in General Revenue funding for one-time funding associated with a Health Professions Council database upgrade in the 22-23 biennium. b) Decrease of \$10,750 in General Revenue funding to offset salary increases in Strategies A.1.1 and B.1.3 c) Increase of \$1,111 in General Revenue funding for Executive Director salary increase.
ENFORCEMENT-INDIRECT ADMINISTRATION C.1.2	\$1,571,546	\$1,509,920	(\$61,626)	(3.9%)	Recommendations include: a) Decrease in General Revenue funding to offset the increase in Strategies A.1.1, Licensing, and B.1.3, Prescription Monitoring Program. b) Increase of \$6,227 in General Revenue for Executive Director salary increase.
Total, Goal C, INDIRECT ADMINISTRATION	\$1,838,570	\$1,766,392	(\$72,178)	(3.9%)	
SALARY ADJUSTMENTS D.1.1	\$0	\$1,080,168	\$1,080,168	100.0%	Recommendations include General Revenue funding for the general State employee salary increases.
Total, Goal D, SALARY ADJUSTMENTS	\$0	\$1,080,168	\$1,080,168	100.0%	
Grand Total, All Strategies	\$20,293,946	\$27,122,912	\$6,828,966	33.7%	

Board of Pharmacy
FTE Highlights - Senate

Full-Time-Equivalent Positions	Expended 2021	Estimated 2022	Budgeted 2023	Recommended 2024	Recommended 2025
Cap	110.0	110.0	110.0	110.0	110.0
Actual/Budgeted	102.3	94.8	108.0	NA	NA

Schedule of Exempt Positions (Cap)					
Executive Director, Group 4	\$141,510	\$141,510	\$141,510	\$148,923	\$156,336

Notes:

a) The State Auditor's Office Report, *Executive Compensation at State Agencies* (Report 22-706, August 2022), indicates an average market salary of \$156,336 for the Executive Director position at the Board of Pharmacy. The agency requests to increase the authorized annual salary cap for the Executive Director position from \$148,923 to \$179,553 in FY24 and to \$189,966 in FY25 and move from Group 4 to Group 5. See also, Items Not Included in Recommendations #5.

b) The State Auditor's Office is the source for the FY 2021 and FY 2022 annual average (actual) FTE levels.