



# Alabama Department of Examiners of Public Accounts

## *Sunset Report* **Alabama State Board of Pharmacy Birmingham, Alabama**

October 1, 2019 through September 30, 2023

AUDEMUS JURA NOSTRA DEFENDERE  
ALABAMA STATE HOUSE

*Rachel Laurie Riddle, Chief Examiner*





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August 21, 2024

Representative Margie Wilcox  
Chairman, Sunset Committee  
Alabama State House  
Montgomery, Alabama 36130

Dear Representative Wilcox:

This report was prepared to provide information for use by the Sunset Committee in conducting its review and evaluation of the operations of the Alabama State Board of Pharmacy in accordance with the *Code of Alabama 1975*, Section 41-20-9.

The report contains unaudited information obtained from the management, staff, and records of the Alabama State Board of Pharmacy in addition to information obtained from other sources.

Please contact me if you have any questions concerning this report.

Sincerely,

Rachel Laurie Riddle  
Chief Examiner

**Examiners**

Rodney Wagstaff  
Karen McClure



## CONTENTS

<b>PROFILE .....</b>	<b>1</b>
Purpose/Authority .....	1
Characteristics .....	3
Operations .....	4
Financial .....	6
Licensure .....	7
<b>SIGNIFICANT ISSUES .....</b>	<b>15</b>
<b>SIGNIFICANT ISSUES FROM QUESTIONNAIRES .....</b>	<b>22</b>
<b>STATUS OF PRIOR FINDINGS/SIGNIFICANT ISSUES.....</b>	<b>23</b>
<b>ORGANIZATION.....</b>	<b>27</b>
<b>PERSONNEL .....</b>	<b>28</b>
<b>PERFORMANCE CHARACTERISTICS .....</b>	<b>29</b>
<b>COMPLAINT HANDLING .....</b>	<b>32</b>
<b>REGULATION IN CONJUNCTION WITH OTHER ENTITIES.....</b>	<b>36</b>
<b>FINANCIAL INFORMATION .....</b>	<b>37</b>
Schedule of Fees.....	37
Schedule of Receipts, Disbursements and Balances.....	41
Operating Receipts vs. Operating Disbursements.....	42
Summary Schedule of Professional Services Disbursements .....	43
Professional Services Disbursements Chart.....	43
<b>QUESTIONNAIRES.....</b>	<b>44</b>
Board Member Questionnaire .....	44
Pharmacist Questionnaire.....	46
Pharmacy Technician Questionnaire.....	57
Intern/Extern Questionnaire .....	59
Pharmacy Services Questionnaire .....	61
Chain Pharmacy Questionnaire .....	63
Community Pharmacy Questionnaire .....	65
Institutional Pharmacy Questionnaire .....	69
Non-Resident Pharmacy Questionnaire .....	73
Precursor Questionnaire .....	77
Distributor/Manufacturer/Repackager/Wholesaler/Third Party Logistic Questionnaire .....	79



Oxygen Retailer Questionnaire .....	82
Manufacturer/Wholesaler of Oxygen Questionnaire.....	85
503-B Facility Questionnaire .....	88
Complainant Questionnaire .....	90
<b>APPENDICES .....</b>	<b>96</b>
Appendix I: Applicable Statutes .....	97
Appendix II: Legislation Not Yet Codified.....	133
Appendix III: Professional Services by Vendor .....	138
Appendix IV: Board Members .....	141
Appendix V: Board’s Response to Significant Issues/Prior Findings.....	142





## **PROFILE**

### **Purpose/Authority**

The Alabama Legislature established the Alabama State Board of Pharmacy (the “Board”) in February 1887 to regulate the practice of pharmacy in the State. The current statutory authority for the Board is found in the *Code of Alabama 1975*, Sections 34-23-1 through 34-23-162 (Practice of Pharmacy Act) and 34-23-180 through 34-23-187 (Pharmacy Audit Integrity Act). The mandated function of the Board is to provide for the regulation and licensure of the practitioners of pharmacy in Alabama and the enforcement of pharmaceutical laws in the state in matters relating to pharmacy through, among other things, promulgating rules and regulations, licensing, approving pharmacy educational programs, investigating complaints or violations, and treating and rehabilitating impaired pharmacists.

The *Code of Alabama 1975*, Sections 34-38-1 through 34-38-8 requires the Board of Dental Examiners and the State Board of Pharmacy to promote the early identification, intervention, treatment, and rehabilitation of individuals within the respective jurisdiction, licensed to practice in the State of Alabama, who may be impaired by reason of illness, inebriation, excessive use of drugs, narcotics, controlled substances, alcohol, chemicals, or other dependent forming substances, or as a result of any physical or mental condition rendering such person unable to meet the standards of his or her profession.

The Alabama Uniformed Controlled Substances Act, established by Act Number 1971-1407, Acts of Alabama, enumerated as the *Code of Alabama 1975*, Sections 20-2-1 through 20-2-302, was created as part of the state’s effort to classify, regulate, and prevent abuse of controlled substances. The *Code of Alabama 1975*, Section 20-2-51 requires every person who manufactures, distributes, or dispenses any controlled substance within this state or who proposes to engage in the manufacture, distribution, or dispensing of any controlled substance within this state must obtain annually a registration issued by the certifying Boards in accordance with its rules. The *Code of Alabama 1975*, Section 20-2-182 requires manufacturers, wholesalers, retailers, or other person who sells, transfers, manufactures, purchases for resale, or otherwise furnishes precursor chemicals to obtain on a biennial a license issued by the State Board of Pharmacy.

The Alabama Pharmacy Benefits Manager Licensure and Regulation Act, established by Act Number 2019-457, Acts of Alabama, enumerated as the *Code of Alabama 1975*, Sections 27-45A-1 through 27-45A-12 establishes the standards and criteria for the regulation and licensure of pharmacy benefit managers providing claims processing services or other prescription drug or device services for health benefits plans.

**The following Acts passed since the last sunset review have been codified in the current statutory authority.**

Act Number 2021-185, Acts of Alabama, relating to the practice of pharmacy; to amend Sections 34-23-51 and 34-23-52, *Code of Alabama 1975*; to revise the information that must be included with an application for a license to practice pharmacy; to provide further for examination; and to provide further for continuing education.

Act Number 2022-130, Acts of Alabama, relating to the Board of Pharmacy; to amend Section 34-23-50, *Code of Alabama 1975*, relating to the practice of pharmacy, to authorize the Board to issue permits to persons as pharmacy interns or externs who are authorized to compound or dispense prescriptions under the immediate direct supervision of a pharmacist; and to delete certain obsolete language.

Act Number 2022-145, Acts of Alabama, relating to the Board of Pharmacy; to amend Section 34-23-34 of the *Code of Alabama 1975*, to further authorize the Board to provide for the method of delivery of charges relating to disciplinary action on a person or entity regulated by the Board; and to amend Section 34-23-90 of the *Code of Alabama 1975*, relating to the election of members of the by licensed pharmacists; to provide for the election of Board members to be conducted by a third party; and to delete provisions for a canvassing committee to tabulate the ballots and further provide for the tabulation of the ballots.

Act Number 2023-60, Acts of Alabama, relating to the Board of Pharmacy; to amend Section 34-23-30 of the *Code of Alabama 1975*, relating to persons required to have a permit issued by the Board to perform pharmacy services; to provide that an entity providing pharmacy services to residents of this state, rather than a person, would be required to have a permit issued by the Board.

Act Number 2023-119, Acts of Alabama, relating to the Board of Pharmacy; to amend Section 34-23-32 of the *Code of Alabama 1975*, requiring a manufacturer, bottler, packager, wholesale drug distributor, and other entities in the supply chain for pharmaceutical products to obtain an annual permit from the Board; to require each permit holder to designate a representative of the permit holder who would be required to register with the Board; and to provide for an additional annual registration fee.

Act Number 2023-231, Acts of Alabama, relating to pharmacists and the dispensing of emergency refills of medication; to amend Section 34-23-75 of the *Code of Alabama 1975*, to increase the supply of medication that may be dispensed in a one-time emergency refill to include the smallest dispensable package size of a medication; and to further provide for the notice to the prescriber after dispensing.

**The following Act passed since the last sunset review and has *not* been codified in the current statutory authority. A copy of the Act can be found in Appendix II of this report.**

Act Number 2024-37, Acts of Alabama, relating to the Board of Pharmacy and compounding pharmacies; to further provide for the number of pharmacy technicians while compounding to comply with the ratios for supervision as provided by rule of the Board.

## **Characteristics**

### **Members and Selection**

The Board consists of five members.

Three members appointed by the Governor:

- One who is engaged in the practice of pharmacy or pharmacy administration, or both, in a hospital – appointed from a list of three nominees submitted by the Alabama Society of Health System Pharmacists, or its successor organization.
- One who is engaged in the practice of pharmacy or pharmacy administration, or both, in an independent pharmacy – appointed from a list of three nominees submitted by the Alabama Pharmacy Association, or its successor organization.
- One who is engaged in the practice of pharmacy or pharmacy administration, or both, in a chain pharmacy – appointed from a list of three nominees submitted by the Alabama Pharmacy Association, or its successor organization.

Two members elected at large by all Alabama pharmacists. The ballot contains two nominees submitted by the nominating committee of the Board of Trustees of the Alabama Pharmacy Association, or its successor organization.

*Code of Alabama 1975*, Section 34-23-90(a), (b), & (c)

### **Term**

Board members serve five-year staggered terms. No pharmacist shall serve two full terms consecutively.

*Code of Alabama 1975*, Section 34-23-90(b), (c), & (e)

### **Qualifications**

Board members must meet the following:

- Residents of this state.
- Licensed pharmacists who have been licensed in this state for a minimum of five years.
- Actively engaged in the practice of pharmacy or pharmacy administration, or both.

*Code of Alabama 1975*, Section 34-23-90(a)

### **Consumer Representation**

There is no specific statutory requirement related to consumer representation on the Board. There are no consumer members serving on the Board.

<b>Racial Representation</b>	There is no specific statutory requirement related to racial representation on the Board. There are no minority members serving on the Board.
<b>Geographical Representation</b>	There is no specific statutory requirement related to geographical representation on the Board.
<b>Other Representation</b>	It is the intent of the Legislature that the composition of the Board reflects the demographics of the pharmacy profession. For vacancies occurring after March 18, 2005, the nominating organizations and the appointing authorities shall select those individuals whose appointments assure that the membership of the board is inclusive and reflects the racial, gender, geographic, urban/rural, and economic diversity of this state.  <i>Code of Alabama 1975, Section 34-23-90(h)</i>
<b>Compensation</b>	The members of the Board shall be paid the same per diem and travel allowance as is paid by law to state employees while engaged in the performance of the duties of the Board, in addition to any daily compensation or allowance determined by the Board.  Board members currently receive \$720.00 per day for each day of Board business.  <i>Code of Alabama 1975, Section 34-23-91</i>
<b>Attended Board Member Training</b>	Four current Board members Three former Board members Executive Secretary Three employees of the Board
<b><u>Operations</u></b>	
<b>Administrator</b>	Donna Yeatman, R.Ph, CISCI, serves as the Executive Secretary of the Board. She is an at-will employee, appointed by the Board with an annual salary of \$276,359.51.  <i>Code of Alabama 1975, Section 34-23-90(f)(4)</i>
<b>Location</b>	111 Village Street Birmingham, AL 35242 Office Hours: Monday – Friday: 8:00 a.m. to 4:00 p.m.

<b>Real Property</b>	<p>Yes, the Board owns the property located at 111 Village Street, Birmingham, AL 35242.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-92(14)</p>
<b>Employees</b>	<p>Twenty-four employees.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-92(4) &amp; (5)</p>
<b>Legal Counsel</b>	<p>Jennifer Muro Neumann, P.C., is contracted to provide the Board with legal services and represent the Board in administrative proceedings.</p> <p>Assistant Attorney General Tara Hetzel, an employee of the Alabama Attorney General Office, represents the Board for the Alabama Attorney General's Office.</p> <p>Mr. Mark Boardman, Esq., of Boardman, Carr, Petelos, Watkins, Ogle, &amp; Howard, P.C. is contracted by the Board to provide legal services related to certain litigation for representation of certain Board employees, the Board's contracted attorney, and contracted Administrative Hearing Officer.</p> <p>Mr. James F. Hampton contracts with the Board to serve as hearing officer and preside over administrative hearings.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-92(4)</p>
<b>Subpoena Power</b>	<p>The Board has the power to issue subpoenas and compel the attendance of witnesses and the production of all necessary papers, books and records, documentary evidence and materials, or other evidence in matters pending before the board relating to the revocation, suspension, or probation of any license.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-92(8)</p>
<b>Internet Presence</b>	<p>www.albop.com</p> <p>The website contains information such as the Board's current statutes and rules, licensure forms, licensure fee schedule, licensee search, public records requests, wellness program, and Board meeting minutes.</p>

<b><u>Financial</u></b>	
<b>Source of Funds</b>	The Board's funds are derived from license and permit fees, reciprocal and exam fees, late fees, fines and penalties, administrative costs, and interest income.
<b>State Treasury</b>	<p>The Board does not operate within the State Treasury. The Board's funds are held in the following bank accounts:</p> <ul style="list-style-type: none"> <li>• <b><u>Servis1st Bank</u></b>: The Board's Operating Account is used to collect revenues and pay operating expenses. Year-end balances remain in the account.</li> <li>• <b><u>Servis1st Bank</u></b>: The Board's Reserve Account is used to safeguard monies by minimizing the balance in the operating account.</li> <li>• <b><u>Truist Bank</u></b>: The Board's Forfeiture Account is used to account for funds seized in connection with the Board's drug enforcement activities under the Alabama Uniform Controlled Substances Act. The funds are restricted for payment of expenses incurred in carrying out drug enforcement activities.</li> </ul> <p><i>Code of Alabama 1975, Section 34-23-91</i></p>
<b>Required Distributions</b>	There are no required distributions.
<b>Unused Funds</b>	Board retains unused funds at year-end.

## Licensure

### Licensees

**As of May 28, 2024:**

Pharmacist	10,591
Pharmacy Technician	11,749
Intern/Extern	975
Designated Representative	1,990
Chain Pharmacy	572
Community Pharmacy	730
Institutional Pharmacy	161
Non-Resident Pharmacy	648
Precursor	90
Pharmacy Services	42
503-B Outsourcing Facility	25
Third Party Logistics	226
Repackager	68
Retail Medical Oxygen Supplier	207
Manufacturer (Oxygen)	78
Wholesale Distributor (Oxygen)	81
Manufacturer	285
Manufacturer (Distribution Only)	62
Private Label Distributor	52
Private Label Distributor (Virtual)	405
Wholesale Distributor	502
Wholesaler (Reverse Distributor)	25
Wholesaler (Virtual)	41
<b>Total</b>	<b>29,605</b>

**Source:** Board Staff

<p><b>Licensure Qualifications</b></p>	<p><b><u>Pharmacy/Entity Performing Pharmacy Services</u></b></p> <ul style="list-style-type: none"> <li>• Any person desiring to open, operate, maintain, or establish a pharmacy or to establish any entity to provide pharmacy services shall apply to the Board for a permit at least 30 days prior to the opening of the business.</li> <li>• No pharmacy or entity performing pharmacy services shall open for the transaction of business until it has been registered, inspected, and a permit issued by the Board.</li> <li>• If more than one pharmacy or entity where pharmacy services are performed is operated by the same owner, a separate application for registration shall be made and a separate permit issued for each such establishment.</li> <li>• The Board has determined that, at a minimum, the holder of a Pharmacy Service Permit must designate a Supervising Pharmacist, on site, who is responsible for ensuring that the processes and compliance standards are maintained within limits set by the Board for the permit holder.</li> </ul> <p><i>Code of Alabama 1975, Section 34-23-30(a)</i>  <i>Administrative Rule 680-X-2-.41(2)</i></p> <p><b><u>Manufacturer, Bottler, Packager, Repackager, Third Party Logistic Provider, Wholesale Drug Distributor, Private Label Distributor, Outsourcing Facility, Pharmacy Business Identified in Supply Chain</u></b></p> <ul style="list-style-type: none"> <li>• Shall employ a full-time licensed pharmacist whose principal duty shall be confined to on-premises pharmaceutical operations.</li> <li>• Commencing on January 1, 2024, each holder of a permit, with the exception of an outsourcing facility, shall designate a current representative of the permit holder and shall register the designated representative with the Board. The designated representative shall possess the qualifications, requirements, and background as set out by the Board.</li> </ul> <p><i>Code of Alabama 1975, Section 34-23-32(b) &amp; (e)(1)</i></p>
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<p><b>Licensure Qualifications (continued)</b></p>	<p><b><u>Pharmacy Intern/Extern</u></b></p> <ul style="list-style-type: none"> <li>• Holds a professional degree in pharmacy from a school of pharmacy recognized by the Board who desires to serve as a pharmacy intern.</li> <li>• Enrolled in a school of pharmacy recognized by the Board who desires to serve as a pharmacy extern while pursuing his or her education as a pharmacist. In order to be considered enrolled in a school of pharmacy and pursuing education as a pharmacist, the person shall not be absent from the school of pharmacy for more than two consecutive semesters or three consecutive quarters, dependent upon the system in use in the school of pharmacy.</li> <li>• Shall be required to be of good moral character.</li> <li>• A citizen of the United States or, if not a citizen, must be legally present in the United States with appropriate documentation from the federal government.</li> <li>• The Board shall require a background check on each applicant as part of the initial application.</li> </ul> <p><i>Code of Alabama 1975, Section 34-23-50(b)(2) &amp; (3)</i></p> <p><b><u>Pharmacist</u></b></p> <ul style="list-style-type: none"> <li>• At least 19 years of age.</li> <li>• Having good moral character.</li> <li>• Holds a professional degree from a division, school, college, or a university department of pharmacy recognized by the Board.</li> <li>• A citizen of the United States or, if not a citizen of the United States, a person who is legally present in the United States with appropriate documentation from the federal government.</li> <li>• The applicant shall have completed an approved practical training program under the supervision of a licensed pharmacist in a site recognized by the Board as qualified for training pharmacy externs and interns, the training standards to be established by the board as long as the standards are not less than those set by the National Association of Boards of Pharmacy.</li> <li>• Pass an examination administered by the National Association of Boards of Pharmacy or other entity approved by the Board in subjects consistent with those required by the National Association of Boards of Pharmacy and in accordance with the rules of the Board.</li> </ul> <p><i>Code of Alabama 1975, Section 34-23-51</i></p>
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<p><b>Licensure Qualifications (continued)</b></p>	<p><b><u>Pharmacy Technician</u></b></p> <ul style="list-style-type: none"> <li>• Have attained the age of seventeen.</li> <li>• Shall complete a Board-approved training program within the first six months after their registration and submit evidence of completion to the Board within 10 days of completion.</li> <li>• Possess good moral character.</li> <li>• Shall consent and be subject to a Board approved criminal background check.</li> </ul> <p><i>Code of Alabama 1975</i>, Section 34-23-131(c)  <i>Administrative Rule</i> 680-X-2-.14(6)(b), (10)(a), (11)(a), &amp; (12)</p> <p><b><u>Designated Representative</u></b></p> <ul style="list-style-type: none"> <li>• Be at least 21 years of age.</li> <li>• Be a citizen of the United States or, if not a citizen of the United States, a person who is legally present in the United States with appropriate documentation for the federal government.</li> <li>• Be employed by the facility full-time in a position of authority and be physically present at the facility for a minimum of 50% of the hours of operation or 30 hours per week, whichever is less.</li> <li>• Be actively involved in and aware of the actual daily operation of the entity.</li> <li>• Serve as a designated representative for only one entity at any one time.</li> <li>• Shall consent and be subject to a Board approved criminal background check.</li> </ul> <p><i>Code of Alabama 1975</i>, Section 34-23-32(e)(1)  <i>Administrative Rule</i> 680-X-2-.23(9)</p> <p><b><u>Collaborative Practice Agreement (Pharmacist)</u></b></p> <ul style="list-style-type: none"> <li>• Have an active, unrestricted license to practice pharmacy in the State of Alabama.</li> <li>• Have an active, unrestricted Alabama Controlled Substances Certificate issued by the Board of Pharmacy.</li> <li>• Provide services in a facility permitted pursuant to the <i>Code of Alabama 1975</i>, Section 34-23-30 only, the pharmacy must maintain an active, unrestricted pharmacy permit and Drug Enforcement Administration (DEA) registration.</li> </ul> <p><i>Code of Alabama 1975</i>, Section 34-23-77(d)  <i>Administrative Rule</i> 680-X-2-.44(3)(d)</p>
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**Examinations**

Candidates for licensure are required to successfully complete the North American Pharmacist Licensure Examination (NAPLEX) and the Multi-State Pharmacy Jurisprudence Exam (MPJE). The National Association of Boards of Pharmacy (NABP) writes and grades the examinations. Computerized exams are administered six days a week at Pearson Vue testing centers in Birmingham (two locations), Decatur, Dothan, Mobile, and Montgomery.

The North American Pharmacist Licensure Examination (NAPLEX) is designed to evaluate general practice knowledge and is taken by recent college of pharmacy graduates shortly after they receive their degree.

<b>Auburn University</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b># Taken</b>	109	129	137	152
<b># Passed</b>	94	109	102	112
<b>% Passed</b>	86%	85%	75%	72%

<b>Samford University</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b># Taken</b>	62	102	89	102
<b># Passed</b>	59	79	69	76
<b>% Passed</b>	95%	77%	77%	74%

The Multi-State Pharmacy Jurisprudence Examination (MPJE) is designed to assess the application of regulations for specific states/jurisdictions and is taken by recent college of pharmacy graduates, licensed pharmacists who want to practice in another jurisdiction, and pharmacists who are Foreign Pharmacy Graduate Examination Committee (FPGEC) certified.

<b>Auburn University</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b># Taken</b>	124	138	136	136
<b># Passed</b>	102	121	116	116
<b>% Passed</b>	82%	88%	85%	85%

<b>Samford University</b>				
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b># Taken</b>	73	107	98	97
<b># Passed</b>	67	91	94	83
<b>% Passed</b>	92%	85%	96%	86%

*Code of Alabama 1975*, Section 34-23-51

*Source:* Board Staff

<p><b>Reciprocity</b></p>	<p>The Board may issue a license without examination to an applicant who furnishes satisfactory proof that he or she has:</p> <ul style="list-style-type: none"> <li>• Been licensed to practice pharmacy by examination in another state that under like conditions grants reciprocal licensure without examination to pharmacists duly licensed by examination in Alabama.</li> <li>• That he or she is a person of good moral character and temperate habits.</li> <li>• Provided that the requirements in the state from which the applicant is reciprocating were no less than the requirements of the National Association of Boards of Pharmacy.</li> </ul> <p>The applicant for licensure by reciprocity shall be personally interviewed by two or more members of the Board before being granted a license, and the applicant shall pass a written examination on the laws governing the practice of pharmacy in Alabama.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-51(e)</p>
<p><b>Renewals</b></p>	<p>Permits for every pharmacy, hospital pharmacy, drugstore, pharmacy department, prescription department, prescription laboratory, apothecary, or any other establishment with a title implying the sale, offering for sale, compounding, or dispensing of drugs, or any entity providing pharmacy services for patients residing in this state shall become due on October 31 and shall become null and void on December 31 of even-numbered years.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-30(a)</p> <p>Pharmacists' certificates of licensure shall expire on December 31 of even-numbered years. The renewal fee shall be due on October 31 and delinquent after December 31 of even-numbered years.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-52(a)</p> <p>Permits for manufacturers, bottlers, packagers, repackagers, third party logistic providers, wholesale drug distributors, private label distributors, outsourcing facilities, and pharmacy businesses identified in the supply chain of drugs, medicines, chemicals, or poisons for medicinal purposes shall become due on October 31 and shall become null and void if not paid by December 31 annually.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-32(d)</p> <p>A pharmacy interns/externs permit shall expire on December 31 of odd-numbered years</p> <p><i>Code of Alabama 1975</i>, Section 34-23-50(b)(6)</p>

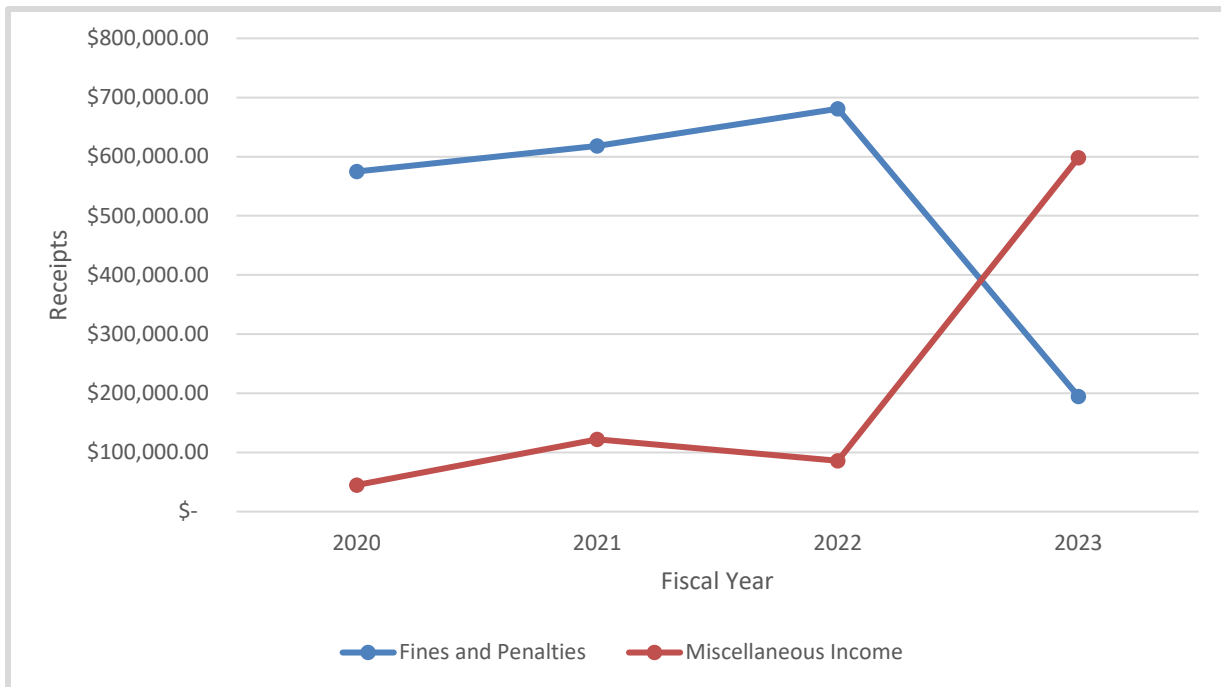
<p><b>Renewals (continued)</b></p>	<p>The registration of each pharmacy technician shall expire on December 31 of odd-numbered years. The renewal fee shall be due on October 31 and delinquent after December 31 of odd-numbered years.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-131</p> <p>Collaborative practice agreements must be renewed by December 31<sup>st</sup> biennially.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-77(d) <i>Administrative Rule</i> 680-X-2-.44(4)(a)(5)</p> <p>99% of license/permit/registration renewals are performed online.</p> <p><b>Source:</b> Board Staff</p>																																																						
<p><b>Licensee Demographics</b></p>	<p>The Board asks questions relating to demographics from licensees during licensure renewal. The licensees are not required to provide answers when renewing so total responses may vary. Below is the information collected from the 9,053 pharmacists who renewed their license in FY2023.</p> <table border="1" data-bbox="561 909 1429 1062"> <thead> <tr> <th>Gender</th> <th># of Responses</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Female</td> <td>3,883</td> <td>63%</td> </tr> <tr> <td>Male</td> <td>2,278</td> <td>37%</td> </tr> <tr> <td>Unknown (Blank)</td> <td>3</td> <td>&lt;1%</td> </tr> </tbody> </table> <table border="1" data-bbox="561 1100 1429 1402"> <thead> <tr> <th>Race</th> <th># of Responses</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>African American</td> <td>43</td> <td>9%</td> </tr> <tr> <td>Asian/Pacific Islander</td> <td>2</td> <td>&lt;1%</td> </tr> <tr> <td>Caucasian</td> <td>340</td> <td>69%</td> </tr> <tr> <td>Chinese</td> <td>3</td> <td>&lt;1%</td> </tr> <tr> <td>Indian</td> <td>3</td> <td>&lt;1%</td> </tr> <tr> <td>Other Non-White</td> <td>1</td> <td>&lt;1%</td> </tr> <tr> <td>Unknown (Blank)</td> <td>101</td> <td>20%</td> </tr> </tbody> </table> <table border="1" data-bbox="561 1440 1429 1669"> <thead> <tr> <th>Age</th> <th># of Responses</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Under 30</td> <td>647</td> <td>10%</td> </tr> <tr> <td>31 - 40</td> <td>1,847</td> <td>28%</td> </tr> <tr> <td>41 – 50</td> <td>1,463</td> <td>22%</td> </tr> <tr> <td>51 – 60</td> <td>1,258</td> <td>19%</td> </tr> <tr> <td>60 +</td> <td>1,328</td> <td>20%</td> </tr> </tbody> </table> <p><b>Source:</b> Board Staff</p>	Gender	# of Responses	Percentage	Female	3,883	63%	Male	2,278	37%	Unknown (Blank)	3	<1%	Race	# of Responses	Percentage	African American	43	9%	Asian/Pacific Islander	2	<1%	Caucasian	340	69%	Chinese	3	<1%	Indian	3	<1%	Other Non-White	1	<1%	Unknown (Blank)	101	20%	Age	# of Responses	Percentage	Under 30	647	10%	31 - 40	1,847	28%	41 – 50	1,463	22%	51 – 60	1,258	19%	60 +	1,328	20%
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<p><b>Continuing Education</b></p>	<p>Pharmacists shall complete 30 hours of continuing education biennially, 6 hours of which shall be live presentation.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-52(b)  <i>Administrative Rule</i> 680-X-2-.36(1) &amp; (4)</p> <p>Pharmacy Technicians shall complete 3 hours of continuing education annually or 6 hours of continuing education biennially, of which one hour per year shall be live presentation.</p> <p><i>Code of Alabama 1975</i>, Section 34-23-131(d)  <i>Administrative Rule</i> 680-X-2-.37(1) &amp; (4)</p>
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## SIGNIFICANT ISSUES

**Significant Issue 2024-001:** In fiscal year 2023, the Board’s financial records indicated a sharp decline (71%) in the amount of revenue collected for fines and penalties. This decline corresponded with a sharp increase (594%) in the amount of revenue being collected as miscellaneous income. A review of revenues being recorded in these two categories revealed that the Board had shifted to recording the amounts collected as administrative costs/fines from Fines and Penalties to Miscellaneous Income. This shift in the classification and recording of administrative costs/fines in the Board’s financial records creates an inaccurate depiction of how much the Board is collecting in administrative costs/fines from licensees and applicants of the Board.

Receipt Classification	Fiscal Years			
	2020	2021	2022	2023
Fines and Penalties	\$ 574,759.99	\$ 618,150.00	\$ 680,960.00	\$ 194,820.00
Miscellaneous Income	\$ 44,931.91	\$ 121,969.50	\$ 86,114.97	\$ 598,292.82



**Significant Issue 2024-002: The Alabama Board of Pharmacy is entering into deferral agreements with licensees with administrative costs/fines being assessed in some instances at double the fine amount for a consent order.** The Board is executing deferral agreements for licensees determined to have violated federal and state laws/rules regulating the practice of pharmacy. The deferral agreements allow determined violations to be categorized as “Pending” for a period (deferral period). On the condition the violator pays an administrative cost/fine and does not have additional probable cause violations, the pending charges will be dismissed. In the event of additional probable cause violations, both the pending charges and any new charges will be noticed and scheduled for a hearing. The pending charges and deferral agreement are not reportable offenses so long as the violator pays the administrative cost/fine and has no additional probable cause violations. In numerous cases reviewed, the administrative costs/fines being assessed in the deferral agreements were at least two times the fine amounts that would be assessed in a consent order. Further, the Board approved formulas to be used for administrative costs/fines for deferral agreements at two times the fine amount for a consent order.

The Board is tasked with setting minimum qualifications/requirements of persons or entities before providing service to the public, monitoring the practice of a profession or business to see that it is done in a competent manner according to accepted standards, and taking appropriate action when requirements are not met.

**Significant Issue 2024-003: The Board is charging fine amounts that may exceed statutorily established fine amounts.**

For example, a company is required to report to the Board any change in the control of ownership of an entity in writing within 10 days of such occurrence (*Administrative Rule* 680-X-2-.23(2)(g)(6)). A company failed to report an ownership change for two permits 259 days after the change. Once the violations are confirmed, the Board sends the company a statement of charges outlining the violations and sets the date for a hearing. After some communication, the Board offered the company two options. Option 1 was for the company to sign a consent agreement, which is a reportable offense, and pay a fine of \$2,000.00 per permit for a total of \$4,000.00. Option 2 is for the company to sign a deferral agreement, which is a non-reportable offense, and pay an administrative cost of \$5,000.00 per permit for a total of \$10,000.00. The *Code of Alabama 1975*, Section 34-23-92(12) allows the Board to charge a maximum fine of \$1,000.00 *for each violation*.

The *Code of Alabama 1975*, Section 34-23-92(12) allows the Board to investigate alleged violations of laws, rules, or regulations and to invoke penalties not to exceed the sum of \$1,000.00 *for each violation*. Further, the *Code of Alabama 1975*, Section 34-23-32(g) states, “No manufacturer, manufacturer affiliate, bottler, packager, repackager, third party logistic provider, wholesale drug distributor, private label distributor, outsourcing facility, or pharmacy business identified in the supply chain of any legend drug or device shall ship, or cause to be shipped, into the state any legend drug or device without a valid permit issued by the board. The civil penalty for a violation of this subsection shall be four thousand dollars (\$4,000) *for each violation*.”

The Board should seek clarification to determine the meaning of “each violation” and whether the fines being charged are within statutory limits.



**Significant Issue 2024-004: The Alabama Board of Pharmacy is executing Statements of Charges against applicants not yet licensed by the Board.** The *Code of Alabama 1975*, Section 34-23-34 authorizes the Board to issue a Statement of Charges and notice of hearing relating to the revocation or suspension of *active* licenses to practice pharmacy and pharmacy services.

Testing revealed instances of entities applying for initial licensure with the Board, and if the entity had been disciplined by another state, the Board issued the applicant a Statement of Charges. It is noted that the Statement of Charges were issued to a non-licensed entity.

Testing revealed instances of individuals applying for initial licensure with the Board, and if the applicant indicated they had been arrested or convicted of a felony or misdemeanor or had been disciplined by another state's pharmacy licensure board at any time, the Board issued the applicant a Statement of Charges. It is again noted that the Statement of Charges was issued to individuals who were not licensed by the Board.

Due to the issuance of the Statement of Charges, the applicant was responsible for paying an administrative cost/fine in addition to the regular fees associated with initial licensure whether it went before the Board for a hearing or a Consent Order, Deferral Agreement, Final Order, or Order to Dismiss was executed. Testing revealed these administrative costs/fines ranged from \$50.00 to \$18,000.00.

The Board should consider seeking clarification to determine whether its authority to issue Statements of Charges extends to applicants, entities or individuals, before they are licensed by the Board.

**Significant Issue 2024-005: The minutes of sixty Board meetings were reviewed. The minutes of fifty-three Board meetings did not reflect the official actions of the Board.** The following actions of the Board were not recorded in the Board's official meeting minutes:

- A legal services contract was sent to the Alabama Contract Review Legislative Oversight Committee for approval without Board approval.
- The Board entered into executive session fifty-two times during meetings, the following issues were noted:
  - ◆ The purpose of the executive session was not recorded in the minutes forty-three times.
  - ◆ The approximate duration of the executive session, and a statement of whether the Board would reconvene after the executive session was not recorded in the minutes fifty-two times.
  - ◆ The minutes did not record the Board's vote to enter into executive session one time.
- During forty-seven meetings the Board voted to approve the disposition of cases in which fines were assessed. There was no mention of any deferral agreements recorded in the minutes to document the Board's approval of the agreements in the minutes of the forty-seven meetings.
- The Board's minutes from its March 11, 2020 meeting do not reflect the approval of three emergency rules which were filed with the Legislative Services Agency on March 20, March 23, and March 25, 2020.

Non-compliance with the Alabama Open Meetings Act weakens the guarantee that Alabama citizens have open access to governmental bodies which conduct the people's business. Furthermore, non-compliance could result in the invalidation of actions taken by the Board.

The *Code of Alabama 1975*, Section 36-25A-4 states, “A governmental body shall maintain accurate records of its meetings, excluding executive sessions, setting forth the date, time, place, members present or absent, and **action taken** at each meeting. Except as otherwise provided by law, the records of each meeting shall become a public record and be made available to the public as soon as practicable **after approval.**”

**Significant Issue 2024-006:** The Board did not post requisite notice of four meetings to the Secretary of State’s website. Failing to post requisite notice for meetings diminishes the public’s ability to be aware of meetings they may want to attend.

- Public notice for the Board meeting held on August 31, 2021 was not posted at all.
- Public notice for the Board meeting held on March 16, 2022 was completed with only five days’ notice instead of the required thirty days’ notice.
- Public notice for the Board meeting held on May 13, 2022 was completed with only thirty minutes’ notice instead of the required 1-hour notice for an emergency meeting.
- Public notice for the Board meeting held on March 22, 2023 was completed with only seven days’ notice instead of the required thirty days’ notice.

The *Code of Alabama 1975*, Section 34-23-91 states, “The board shall conduct meetings at least three times annually and more often when deemed necessary for the examination of applicants for licensure and for the transaction of business as may legally come before it. **Public notice of all stated meetings shall be given at least 30 days in advance of the meetings.**”

The *Code of Alabama 1975*, Section 36-25A-3(b) states, “Unless otherwise specified by law directly applicable to the governmental body, notice of a meeting, as defined in Section 36-25A-2(6)a.2. and 3. as well as meetings called pursuant to Section 11-43-50 shall be posted as soon as practicable after the meeting is called and in no event less than 24 hours before the meeting is scheduled to begin, unless such notice (i) is prevented by emergency circumstances requiring immediate action to avoid physical injury to persons or damage to property; or (ii) relates to a meeting to be held solely to accept the resignation of a public official or employee. In such situations, notice shall be given as soon as practical, but **in no case less than one hour** before the meeting is to begin.”

**Significant Issue 2024-007:** The Board did not comply with the *Code of Alabama 1975*, Section 34-23-90(f)(2) as it relates to Board members’ oaths of office. The oaths of office for five Board members appointed or elected to the Board during the examination period were not filed with the Secretary of State.

The *Code of Alabama 1975*, Section 34-23-90(f)(2) states “Appointees to the board, within 30 days after their appointment or election, shall take an oath or make affirmation before a properly qualified officer that he or she will faithfully and impartially perform the duties of his or her office. **This oath or affirmation shall be filed with the Secretary of State.**”

**Significant Issue 2024-008: The Board is charging fees for which a specified amount is not set by administrative rule as required by law.** The Board has not established administrative rules setting the specific amount to be charged for the following fees:

- Pharmacy Intern/Extern Non-Disciplinary Late Renewal Fee
- Pharmacist License Renewal – 50 Years Licensure
- Pharmacist Controlled Substance License Renewal – 50 Years Licensure
- Pharmacist Non-Disciplinary Continuing Education Audit Penalty
- Pharmacy Technician Non-Disciplinary Continuing Education Audit Penalty

The current administrative rules state ranges rather than specific fee amounts. Since the fee amounts are not set in the law, the amounts charged should be set by an administrative rule.

Additionally, the administrative rule for the Pharmacy Technician Non-Disciplinary Continuing Education Audit Penalty fee cites a statute that does not authorize the Board to charge this fee.

The *Code of Alabama 1975*, Section 41-22-3(9) defines a rule, in part, as “Each agency rule, regulation, standard, or statement of general applicability *that implements, interprets, or prescribes law or policy*, or that describes the organization, procedure, or practice requirements of any agency and includes any form which *imposes any requirement* or solicits any information *not specifically required by statute* or by an existing rule or by federal statute or by federal rule or regulation; provided, however, all forms shall be filed with the secretary of the agency and with the Legislative Services Agency, Legal Division, and all forms, except intergovernmental, interagency, and intra-agency forms which do not affect the rights of the public and emergency forms adopted pursuant to Section 41-22-5, shall be published in the Agency Administrative Code.”

**Significant Issue 2024-009: The Board did not always deposit receipts in a timely manner.** Sixty-five bank deposits consisting of 379 checks and money orders were examined to determine whether the checks and money orders were deposited in a timely manner. Two hundred thirty-seven checks and money orders (63%) were deposited from six days up to ninety days after being received by the Board.

The Board is responsible for establishing and maintaining a system of internal accounting controls to provide reasonable assurance that receipts are deposited in a timely manner. Failure to promptly deposit checks and money orders unnecessarily increases the risk of loss or misuse of state funds.

**Significant Issue 2024-010: During the examination period, the Board purchased two vehicles totaling \$79,349.84 and procured agency licensing certificates totaling \$77,628.61 without going through the process of getting sealed competitive bids, awarded to the lowest responsible bidder, or without using a current state contract.** As a result, the Board did not comply with the provisions *Code of Alabama 1975*, Section 41-16-20(a), and ensure a fair and competitive bid process was followed.

At the time the purchases were made, the *Code of Alabama 1975*, Section 41-16-20(a) stated, “With the exception of contracts for public works whose competitive bidding requirements are governed exclusively by Title 39, all contracts of whatever nature for labor, services, work, or for the purchase or lease of materials, equipment, supplies, other personal property or other nonprofessional services, involving fifteen thousand dollars (\$15,000) or more, made by or on behalf of any state department, board, bureau, commission, committee, institution, corporation, authority, or office shall, except as otherwise provided in this article, be let by free and open competitive bidding, on sealed bids, to the lowest responsible bidder.”

**Significant Issue 2024-011:** The Board has contracted with a vendor to provide vehicle management services for a period exceeding the maximum limit allowed by the *Code of Alabama 1975*, Section 41-16-27(e)(1). The contract has been in place since June 2009 with no changes, updates, or renewals. The contract did not contain language establishing an ending date, only language pertaining to the termination of the contract. Upon notification of this issue, the Board began using a state contract through the Alabama Department of Finance, Division of Procurement for these services.

The *Code of Alabama 1975*, Section 41-16-27(e)(1) states, “*Contracts for the purchase of personal property or contractual services other than personal services shall be let by competitive bid for periods not greater than five years* and current contracts existing on February 28, 2006, may be extended or renewed for an additional two years with a 90-day notice of such extension or renewal given to the Legislative Council, however, any contract that generates funds or will reduce annual costs by awarding the contract for a longer term than a period of three years which is let by or on behalf of a state two-year or four-year college or university may be let for periods not greater than 10 years. Any contract awarded pursuant to this section for terms of less than 10 years may be extended for a period not to exceed 10 years from the initial awarding of the contract provided that the terms of the contract shall not be altered or renegotiated during the period for which the contract is extended.”

**Significant Issue 2024-012:** The Board paid a total of \$32,328.40 to a vendor providing administrative hearing officer services. The invoices submitted did not contain the exact dates the services were performed. The Board is responsible for ensuring invoices are accurate and fully itemized to ensure payments are only made for services performed and received.

The *Code of Alabama 1975*, Section 41-4-54 states, “All accounts against the state must be accurately and fully itemized”.

**Significant Issue 2024-013:** The review of Board payments to vendors for contracted services disclosed the following discrepancies:

- A vendor providing administrative hearing officer services received payments for an amount in excess of the total contract amount. The contract amount was \$75,000.00 and the vendor received \$119,703.85, resulting in an overpayment of \$44,703.85. The Board’s Executive Secretary self-reported this overpayment to the Department’s Chief Legal Counsel.
- A vendor providing legal services received payments for two invoices containing calculation errors, resulting in an overpayment of \$836.00.
- A vendor providing burglary and fire alarm monitoring services received payments at a pay rate in excess of the contract pay rate. The contract pay rate was \$35.00/month and invoices submitted had pay rates set at \$40.00/month and \$45.00/month, resulting in an overpayment of \$240.00.

The Board is responsible for ensuring contract invoices are properly reviewed and analyzed, and the Board makes payments only for goods and services received and accepted pursuant to contractual terms and conditions. Further, the Board is responsible for ensuring invoices are accurate and payments are made in accordance with the state pay rate and will not exceed the total contract amount.

**Significant Issue 2024-014:** According to the Chief Procurement Officer (CPO) of the Alabama Department of Finance, Division of Procurement the Board did not request a temporary procurement delegation for the purchase of supplies and/or services until February 2023, four months after the new procurement law became effective on October 1, 2022. As a result, supplies and services were procured without authorization from the Chief Procurement Officer.

The *Code of Alabama 1975*, Section 41-4-122 states in part,

- “(a) The Chief Procurement Officer shall serve as the central procurement officer of the state.
- (c) Except as otherwise specifically provided in this article, the Chief Procurement Officer, in accordance with rules adopted under this article, shall do all of the following:
  - (1) Except for alcoholic beverages, which shall be purchased by the Alcoholic Beverage Control Board, *procure, or supervise the procurement of all supplies and services* needed by the state.”

The *Code of Alabama 1975*, Section 41-1-123 states, “Subject to rules adopted under this article, the Chief Procurement Officer may delegate his or her authority to designees or to any department, agency, or official.”

The *Code of Alabama 1975*, Section 41-4-124(a) states, “Except as otherwise provided in this article, all rights, powers, duties, and authority relating to the procurement of supplies and services now vested in, or exercised by, any governmental body under existing law are transferred to the Chief Procurement Officer.”

The Alabama Department of Finance’s *Administrative Rule* 355-4-1-.02, effective October 1, 2022, states, “Where the State Procurement Code or these Rules require a written determination, the written determination shall set out sufficient facts, circumstances, and reasoning to substantiate the specific determination which is made. The Chief Procurement Officer is authorized to prescribe methods and operational procedures to be used in preparing written determinations. Each written determination shall be filed in the solicitation or contract file to which it applies, shall be retained as part of such file for so long as the file is required to be maintained, and except as otherwise provided by law or regulation, shall be open to public inspection.”

The Department of Finance’s *Fiscal Policy and Procedures Manual* states, “The Department of Finance, Division of Procurement (formerly, the Division of Purchasing), is established by statute (*Code of Alabama 1975*, Sections 41-4-110 through 115, as amended) and is under the direction of the Chief Procurement Officer (CPO). The CPO procures all supplies and services, except as delegated by the CPO or through statutory exceptions, for all State departments, boards, bureaus, commissions, agencies, offices, and institutions, as well as executing and supervising the performance of all contracts and leases for the use and acquisition of any supplies and services.”

## **SIGNIFICANT ISSUES FROM QUESTIONNAIRES**

**Significant Issue 2024-015: Eighteen of the thirty-two (56%) pharmacists, eight of the thirty-one (26%) community pharmacies, and seven of the twenty-eight (25%) non-resident pharmacies responding to our survey have a negative perception of the Alabama State Board of Pharmacy.**

**Significant Issue 2024-016: Six of the seven (86%) pharmacy technicians, sixteen of the thirty-four (47%) institutional pharmacies, two of the six (33%) interns-externs, and seven of the thirty-two (22%) pharmacists responding to our survey consider workload, staffing, and pay as the most significant issue facing their profession. Some of the issues cited include a decreased interest in becoming a pharmacist, corporate greed causing short staffing with increasing workload, high debt to income ratio with school costs and salary decreases, and insufficient influx of high-caliber individuals joining the field.**

**Significant Issue 2024-017: Thirteen of the thirty-two (41%) pharmacists, four of the eight (50%) chain pharmacies, nine of the thirty-one (29%) community pharmacies, and six of the twenty-eight (21%) non-resident pharmacies responding to our survey consider pharmacy benefit managers (PBMs) as the most significant issue facing their profession. Some of the issues cited include PBM overreach, PBMs employing anti-competitive practices by exercising a de facto monopoly over the prescription drug business, and PBMs not reimbursing pharmacies for full cost of pharmaceuticals, resulting in numerous high-cost drugs being dispensed at a loss at the pharmacy and the pharmacies losing money.**

**Significant Issue 2024-018: Twenty-two of the thirty-two (69%) pharmacists, four of the six (67%) pharmacy service providers, and four of the eight (50%) chain pharmacies responding to our survey indicated they think the Board’s laws, rules, or policies are an unnecessary restriction on the practice of their profession.**

**Significant Issue 2024-019:** Sixteen of the thirty-two (50%) pharmacists and three of the six (50%) intern-externs responding to our survey indicated they are not adequately informed by the Board of changes to and interpretations of the Board's positions, policies, rules, and laws.

**Significant Issue 2024-020:** Five of the nine (56%) complainants responding to our survey indicated they were not satisfied with the Board's handling of their complaints. Some of the comments include the Board did not resolve their complaint and the Board did not inform the complainant of the resolution of their complaint. Testing of complaint files did not reveal any issues with the Board notifying the complainants of the resolution of their complaints.

## **STATUS OF PRIOR FINDINGS/SIGNIFICANT ISSUES**

All prior findings/significant issues have been resolved, except for the following:

**Prior Finding 2019-003:** The Board did not maintain adequate annual/sick leave records for its employees. Time and attendance records were reviewed for all twenty-two employees. Nineteen of the employees annual and sick leave records contained the following errors:

- Six employees' annual leave balances were overstated by two to sixteen hours.
- Six employees' annual leave balances were understated by one to seventeen hours
- Eight employees' sick leave balances were overstated by two to one hundred seventy-seven hours.
- Eight employees' sick leave balances were understated by two to fifty-seven hours.

When notified of the discrepancies, the employees' leave balances were corrected.

The Board of Pharmacy's *Employee Personnel Handbook* Policy #10 addresses employee leave benefits and sets the guidelines in which employees can accrue and use annual leave and sick leave. Employees are to submit monthly time sheets to their designated supervisor accurately detailing hours worked and leave taken for the prior month in a timely manner.

**Current Status:** A newly hired 80% part-time employee accrued annual leave at a rate that exceeded the Board approved accrual rate for employees during the first year of employment. The employee accrued annual leave at a rate of 8 hours each month instead of 3 hours 12 minutes each month. The error in the annual leave accrual rate resulted in the employee having an overstated annual leave balance. Subsequently, the Board paid the employee for the overstated annual leave balance upon separating from the agency. This employee was notified of the overpayment and the amount was repaid to the Board prior to the conclusion of the Sunset review.

**Prior Finding 2019-005:** The Board did not pay an employee the correct amount for annual/sick hours upon separating from the agency. The employee was paid for one-half of the annual leave hours and all the sick leave hours resulting in an overpayment of \$12,582.59. This amount is reflected as a charge against a former employee.

According to the Board of Pharmacy's Personnel Handbook Policy #10, "Upon termination of employment, payment shall be made to the employee for *all existing annual leave hours up to a maximum of 480 hours* and for *one-half of the existing sick leave hours up to the maximum to be paid of 600 hours.*"

**Current Status:** The Board paid an employee an incorrect amount for annual leave hours upon separating from the agency. The employee’s annual leave balance was overstated upon separation due to accruing annual leave at an incorrect rate during the first year of employment. The employee was compensated for 47 hours of annual leave when the actual annual leave balance was 0 hours resulting in an overpayment of \$1,151.97. This employee was notified of the overpayment and the amount was repaid to the Board prior to the conclusion of the Sunset review.

**Prior Finding 2019-010:** During the examination period, the Board paid \$4,309.50 in sales tax for items purchased, although state agencies are made exempt by State law from payment of sales tax.

The *Code of Alabama 1975*, Section 40-23-4(a)(11) states, “There are exempted from the provisions of this division and from the computation of the amount of the tax levied, assessed, or payable under this division the following:

(11) The proceeds of sales of tangible personal property to the State of Alabama, to the counties within the state and to incorporated municipalities of the State of Alabama.”

*Attorney General Opinion* 81-00342 to the Alabama Board of Corrections states, “As an arm or agency of the State of Alabama, the Board of Corrections would be exempt on any tangible property purchased by the board, provided the purchases are made in the name of the board, the board’s credit is obligated, and the purchased property is paid for with funds belonging to the board.”

**Current Status:** During the examination period, the Board paid \$263.42 in sales tax for items purchased, although state agencies are made exempt by State law from payment of sales tax.

**Prior Finding 2019-012:** The Board did not notify the Secretary of State of vacancies occurring as a result of the expiration of the terms of three board members at least 45 days before the terms expired. The Board did not notify the Secretary of State within 15 days of a vacancy occurring as a result of a board member’s resignation.

The *Code of Alabama 1975*, Section 36-14-17(c)(1) states, “The chair of an existing Board shall notify the Secretary of State by electronic means of a vacancy scheduled to occur on the Board as a result of the expiration of a term at least 45 days before the vacancy occurs.

The *Code of Alabama 1975*, Section 36-14-17(c)(2) states, “The chair of an existing Board shall give electronic notification to the Secretary of State of each vacancy occurring as a result of a newly created Board position and of every other vacancy occurring for any reason other than the expiration of a term as soon as possible and in any case within 15 days after the occurrence of the vacancy.

**Current Status:** The Board did not notify the Secretary of State a vacancy occurring as a result of the expiration of a Board member’s term that expired on December 31, 2020.

**Prior Finding 2016-002:** The Board did not pay two employees the correct amount for longevity payments in fiscal year 2015. One employee was underpaid \$100, and another employee was underpaid \$225.00. When notified of the discrepancies, the Board reimbursed the employees for the underpayments.



The *Code of Alabama 1975*, Section 36-6-11(a) states that: “Each person employed by the State of Alabama, and all legislative personnel, officers, or employees, including but not limited to Legislative Reference Service personnel, whether subject to the state Merit System or not, shall be entitled to and receive in a lump sum the first payday of December each year the sum of three hundred dollars (\$300) per annum after such employee has served for a total period of five years and shall receive the payment until the tenth year of total service, at which time the payment shall be made in a like manner and at a like time but in the amount of four hundred dollars (\$400) per annum until the fifteenth year of total service, at which time the payment shall be made in a like manner and at a like time but in the amount of five hundred dollars (\$500) per annum until the twentieth year of total service, at which time the payment shall be made in a like manner and at a like time but in the amount of six hundred dollars (\$600) per annum until the twenty-fifth year of total service, at which time the payment shall be made in a like manner and at a like time, but in the amount of seven hundred dollars (\$700) as long as the employee remains in service. Beginning October 1, 2006, and continuing each fiscal year thereafter in which an employee does not receive a cost-of-living increase in compensation, each per annum amount provided in this subsection shall be increased by one hundred dollars (\$100) per year to a maximum amount of one thousand dollars (\$1,000) for 25 years of total service as long as the employee remains in service.’

**Current Status:** The Board did not pay an employee the correct amount for longevity payment for 20 years of State service in fiscal year 2021. The employee received \$800.00 instead of \$900.00, resulting in an underpayment of \$100.00. When notified of the discrepancy, the Board reimbursed the employee for the underpayment.

**Prior Finding 2014-003:** Board contracts for professional services for accounting services, legislative consultation services, inspector/investigator training, etc. were missing documentation of compliance with Alabama law as follows:

1. The Board could not provide documentation that the contracts were awarded based on either a Request for Proposal (RFP) or a ‘Sole Source’ determination.
2. Disclosure statements were not provided.
3. Neither was documentation of the vendor’s compliance with the Alabama Immigration Act (E-Verify enrollment) provided for any of the contracts.

Among other requirements, state agencies contracting for professional services are required to comply with the following:

1. The *Code of Alabama 1975*, Section 41-16-72 (3), requires competitive solicitation for procurement of professional services. The *Code of Alabama 1975*, Section 41-16-75, requires determination of sole source provider.

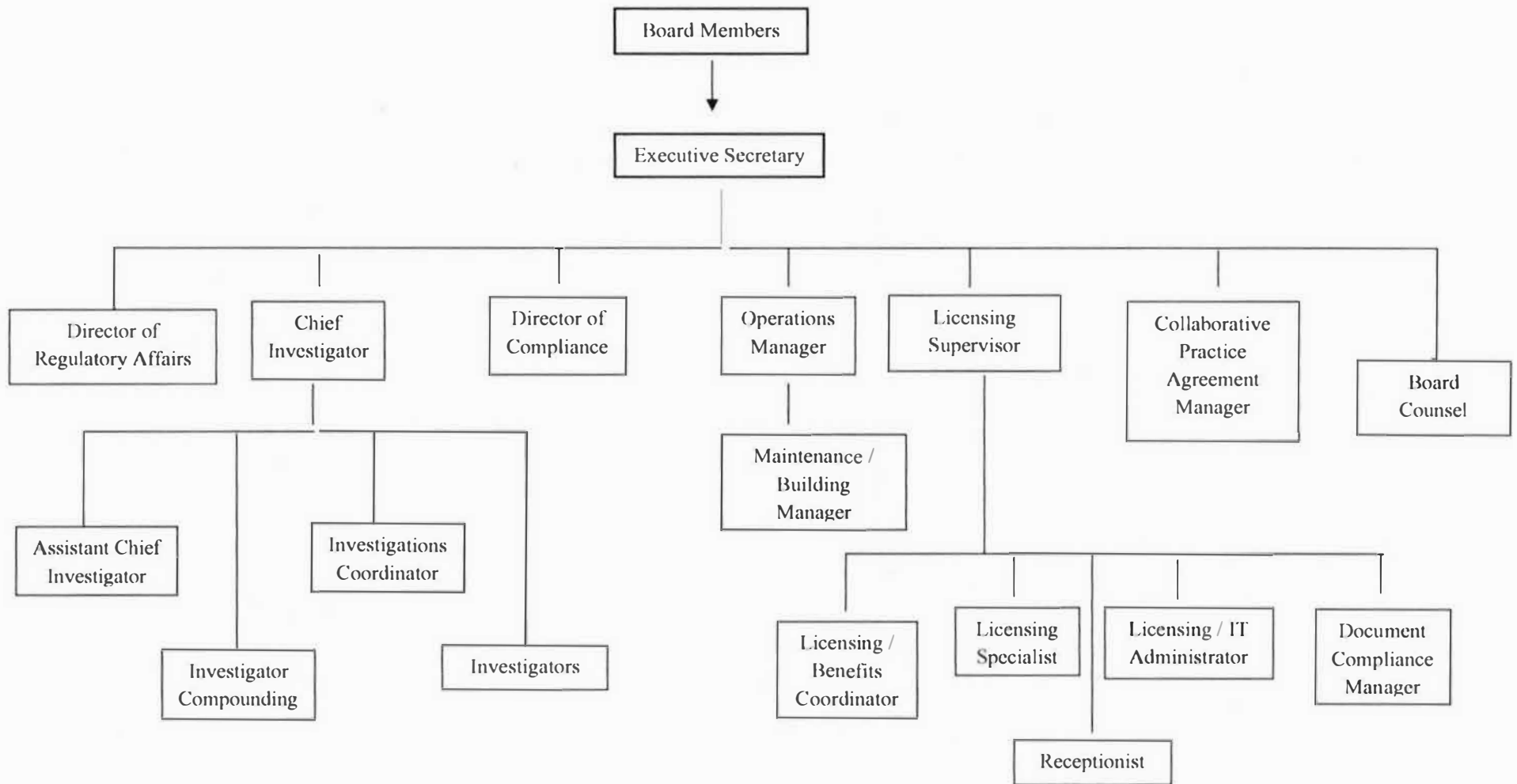
The *Code of Alabama 1975*, Section 41-16-72 (3), provides the following:

Professional services of architects, landscape architects, engineers, land surveyors, geoscience, and other similar professionals shall be procured in accordance with competitive, qualification-based selection policies and procedures. Selection shall be based on factors to be developed by the procuring state entity which may include, among others, the following:

- a. Specialized expertise, capabilities, and technical competence, as demonstrated by the proposed approach and methodology to meet project requirements.
  - b. Resources available to perform the work, including any specialized services within the specified time limits for the project.
  - c. Record of past performance, quality of work, ability to meet schedules, cost control, and contract administration.
  - d. Availability to and familiarity with the project locale.
  - e. Proposed project management techniques.
  - f. Ability and proven history in handling special project contracts. Notice of need for professional services shall be widely disseminated to the professional community in a full and open manner. Procuring state entities shall evaluate such professionals that respond to the notice of need based on such state entity's qualification-based selection process criteria. Any such procuring state entity shall then make a good faith effort to negotiate a contract for professional services from the selected professional after first discussing and refining the scope of services for the project with such professional. Where the Alabama Building Commission has set a fee schedule for the professional services sought, fees shall not exceed the schedule without approval of the Director of the Alabama Building Commission and the Governor.
2. The *Code of Alabama 1975*, Section 41-16-82, requires all entities who, for the purpose of direct financial gain, submit a proposal, bid, contract, or grant proposal to the State of Alabama, to include a disclosure statement developed by the Attorney General and approved by the Legislative Council.
  3. The *Code of Alabama 1975*, Section 3-13-25 (b), requires any business entity or employer to provide proof to the state, political subdivision thereof, or state-funded entity that the business entity or employer is enrolled and participating in the E-Verify program before receiving any contract, grant, or incentive from the state.

**Current Status:** The Board's non-professional services contract for janitorial services was missing documentation of compliance with Alabama law. The contract did not contain the E-Verify Memorandum of Understanding.

**ORGANIZATION**



# PERSONNEL

## Employees

Schedule of Employees By Classification/Sex/Race							
Classification	#	B/M	W/M	B/F	W/F	Salary or Salary Range	Vehicle Assigned*
Executive Secretary	1				1	\$276,359.51	1
Director of Regulatory Affairs	1				1	\$220,410.35	1
Compliance Officer - Director	1				1	\$179,525.52	1
Collaborative Practice Agreement Manager	1				1	\$136,359.48	
Chief Investigator	1		1			\$156,000.00	1
Investigators	9	1	8			\$75,351.57 - \$151,356.99	9
Licensing Supervisor/Records Liaison	1				1	\$98,497.46	
Pharmacist/Intern/ Designated Representative Licensing Manager	1				1	\$85,696.00	
IT Manager	1		1			\$80,150.28	
Operations Manager	1				1	\$67,889.98	
Licensing Specialist/Pharmacies	1			1		\$58,214.58	
Case and Compliance Coordinator	1				1	\$54,415.30	
Pharmacy Technician Manager	1			1		\$54,060.00	
Facilities Manager	1				1	\$51,251.20	
Document Compliance Manager/Travel Coordinator	1				1	\$48,672.00	
Receptionist	1				1	\$41,600.00	
<b>Total</b>	<b>24</b>	<b>1</b>	<b>10</b>	<b>2</b>	<b>11</b>		<b>13</b>

B/M=Black Male, W/M=White Male, B/F=Black Female, W/F=White Female

\*Vehicles are used in performance of Board duties. The Board also has 2 pool vehicles for use as needed.

## Legal Counsel

The Board contracts with Jennifer Muro Neumann, P.C. to provide the Board with legal services and represent the Board in administrative proceedings. The current contract is a two-year contract effective January 1, 2024. The pay rate is \$190.00 per hour, not to exceed \$500,000.00. The contract also includes reimbursement for reasonable expenses incurred in performing the services outlined including travel, long-distance telephone calls, Xerox, postage, and the like. The total amount of the contract shall not exceed \$550,000.00.

Assistant Attorney General Tara Hetzel, an employee of the Attorney General's Office, also represents the Board for the Attorney General's Office.

The Board also contracts with Mark Boardman, Esq., of Boardman, Carr, Petelos, Watkins, Ogle, & Howard, P.C. to provide legal services related to certain litigation for representation of certain Board employees, the Board’s contracted attorney, and contracted Administrative Hearing Officer. The current contract is a two-year contract effective May 2, 2024. The pay rate is \$195.00 per hour for attorneys and \$65.00 per hour for paralegals, not to exceed \$100,000.00.

The Board contracts with James F. Hampton to serve as hearing officer and preside over administrative hearings. The current contract is effective October 16, 2023 and will end on September 30, 2025. The pay rate is \$175.00 per hour, not to exceed \$200,000.00. The contract also includes reimbursement for reasonable expenses incurred in performing the services outlined including the cost of travel, long-distance telephone calls, Xerox, postage, and the like. The total amount of the contract shall not exceed \$225,000.00.

## **PERFORMANCE CHARACTERISTICS**

### **Number of Licensees per Employee (FY 2023) – 677**

### **Number of Licensees for the Past Four Fiscal Years**

<b>Type of Licenses</b>	<b>Renewals per Fiscal Year</b>			
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
Pharmacist*	1,801	8,579	1,920	9,053
Pharmacy Technician**	12,092	4,241	12,515	3,130
Intern/Extern**	342	315	311	238
Chain Pharmacy*	23	594	80	545
Community Pharmacy*	202	606	161	619
Institutional Pharmacy*	35	122	33	130
Non-Resident Pharmacy*	108	508	144	521
Precursor	8	84	20	83
Pharmacy Services*	5	31	6	36
503-B Outsourcing Facility	19	24	27	20
Third Party Logistics	215	208	185	220
Repackager	56	66	49	59
Retail Medical Oxygen Supplier	52	184	64	149
Manufacturer (Oxygen)	69	111	75	73
Wholesaler (Oxygen)	81	111	46	84
Manufacturer	287	286	217	238
Manufacturer (Distribution Only)	56	73	66	68
Private Label Distributor	46	50	63	40
Private Label Distributor (Virtual)	363	450	398	388
Wholesale Distributor	635	633	481	510
Wholesaler (Reverse Distributor)	17	23	17	18
Wholesaler (Virtual)	31	32	34	36
<b>Total</b>	<b>16,543</b>	<b>17,331</b>	<b>16,912</b>	<b>16,258</b>

\*Renews biennially in even-numbered years.

\*\*Renews biennially in odd-numbered years.

### **Operating Disbursements per Licensee (FY 2023) – \$323.32**

**Fines/Penalties as a Percentage of Operating Receipts**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
Total Receipts	\$3,703,616.46	\$5,423,924.47	\$3,926,569.84	\$5,455,123.35
Fines & Penalties	\$574,759.99	\$618,150.00	\$680,960.00	\$194,820.00
<b>Percentage</b>	<b>15.52%</b>	<b>11.40%</b>	<b>17.34%</b>	<b>3.57%</b>

**Administrative Costs as a Percentage of Operating Receipts**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
Total Receipts	\$3,703,616.46	\$5,423,924.47	\$3,926,569.84	\$5,455,123.35
Administrative Costs	\$0.00	\$25,000.00	\$68,100.00	\$590,095.00
<b>Percentage</b>	<b>0.00%</b>	<b>0.46%</b>	<b>1.73%</b>	<b>10.82%</b>

A review of the Board’s financial records indicated some amounts assessed against licensees are referred to as administrative costs and are recorded as Administrative Costs in the Miscellaneous Income category of the Board’s general ledger.

**Board of Pharmacy Wellness Program**

The *Code of Alabama 1975*, Section 34-38-2 makes it the duty and obligation of the Alabama State Board of Pharmacy to promote the early identification, intervention, treatment, and rehabilitation of individuals within their respective jurisdiction, licensed to practice in the State of Alabama, who may be impaired by reason of illness, inebriation, excessive use of drugs, narcotics, controlled substances, alcohol, chemicals or other dependent forming substances, or as a result of any physical or mental condition rendering such person unable to meet the standards of his or her profession.

The mission of the program is to promote the early identification, intervention, rehabilitation, monitoring, and successful re-entry of recovering pharmacists, interns/externs, and pharmacy technicians into the profession. The program will also provide ongoing education regarding issues of recovery.

The Board of Pharmacy Wellness Program encourages voluntary reporting, assists in evaluation and treatment referrals, and with cooperation on the part of the affected individual, supports re-entry to the profession.

Through the Pharmacy Wellness Program Director, the Board monitors the pharmacist upon successful completion of treatment with the goal of re-entry to the profession through ongoing support and monitoring for five years.

## **Notification of Board Decisions to Amend Administrative Rules**

The Board complied with notification procedures prescribed in the Administrative Procedure Act, which includes publication of proposed rules in the Administrative Monthly, and public hearings on proposed rules.

Licensees are also informed of rule changes, either through the quarterly newsletter published by the Board or by postings on the Board's website. Licensees are not individually notified of proposed changes.

## **Inspections**

State Drug Investigators are assigned to areas of the State and set their own itineraries. The activities of the State Drug Investigators are monitored by the Chief Drug Investigator who coordinates and logs all inspections and investigations. The goal of the Chief Drug Investigator is to have all licensed facilities inspected once every two years by a State Drug Investigator.

Each State Drug Investigator has the authority to inspect the medicines and drugs or drug products or domestic remedies which are manufactured, packaged, packed, made, sold, offered for sale, exposed for sale or kept for sale in Alabama, and for this purpose has the right to enter and inspect during business hours any pharmacy or any other place in Alabama where medicines or drugs or drug products or proprietary medicines are manufactured, packaged, packed, made, sold, offered for sale or kept for sale, whether or not licensed by the State Board of Pharmacy.

Each State Drug Investigator is subject to the same restrictions as other officers of the law in regard to search and seizure. The State Drug Investigator must report to the Board all violations of the laws relating to pharmacy and the rules and regulations of the Board. As directed by the Board, it is the duty of the State Drug Investigator to investigate violations of such laws, rules or regulations or institute criminal proceedings against persons for such violations.

As authorized by the Board and where there are specific complaints, the State Drug Investigator has the right to inspect all records, shipping tickets or any other document pertaining to the transfer of drugs or drug preparations, from or to hospitals, pharmacists, wholesale establishments and manufacturers, or any other place or establishment where said preparations of drugs are kept or stored. The State Drug Investigator has the authority to inspect all prescription files, prescription record books, poison registers, exempt narcotic registers and any other records pertaining to the filling and filing of prescriptions.

It is the duty of the State Drug Investigator to take possession of all revoked and/or suspended licenses and permits when such licenses and permits are not surrendered voluntarily to the Board by the person or pharmacist whose license or permit has been revoked or suspended. State Drug Investigators are not authorized or required to inspect the offices of Doctors of Medicine who have qualified with the State Board of Medical Examiners.

<b>Schedule of Inspections Fiscal Years 2020 through 2023</b>						
	<b>Number of Inspections</b>	<b>Compliant</b>	<b>Non-Compliant</b>	<b>Closed / Not in Business</b>	<b>Closed / Referred</b>	<b>Follow-Up*</b>
2020	955	918	5	3	1	28
2021	1,692	1,627	4	19		42
2022	1,488	1,446	4	12		26
2023	1,391	1,358	8	16	1	8
<b>Total</b>	<b>5,526</b>	<b>5,349</b>	<b>21</b>	<b>50</b>	<b>2</b>	<b>104</b>

\*When an investigator is waiting on an issue to be corrected, the investigator allows the facility a limited period of time to correct the issue before either a “Closed – Compliant” or “Closed – Non-Compliant” status.

Inspection results are classified as either compliant, requiring follow-up, or non-compliant. Non-compliant businesses have 15 days after notice to submit to the Board the steps taken to remedy the non-compliance or a proposal for eliminating the discrepancy. Failure to submit the report may result in a complaint being brought by the Board for possible disciplinary action.

## **COMPLAINT HANDLING**

<b>Initial Contact/Documentation</b>	<p>Consumer complaints may be submitted by mail, email, or on-line on the Board’s website. A written formal complaint is required.</p> <p>Non-consumer complaints may originate from on-site observation by a State Drug Investigator, Board personnel, notification from law enforcement, insurance companies, loss prevention personnel, or other pharmacists.</p> <p>The complainant is notified in writing of the receipt of the complaint.</p>
<b>Anonymous Complaints Accepted</b>	Anonymous complaints are accepted.



<p><b>Investigative Process / Probable Cause Determination</b></p>	<p>The Board’s State Drug Investigators investigate complaints. The Chief Drug Investigator reviews the complaint report to determine if there is a violation of the law. If there is no firm determination of a violation, the investigator’s report is turned over to the Director of Compliance for preparation for the Case Review Committee.</p> <p>The Case Review Committee is comprised of the Chief Drug Investigator, the Executive Secretary, the Director of Compliance, and one Drug Investigator selected on a rotating basis. The Case Review Committee reviews the complaint and makes a recommended action. The five-member Board reviews the recommended action and determines whether to accept the recommendation or take other action.</p> <p>If the Chief Investigator determines there is a violation of law, the case is turned over to the Board’s attorney for review and further determination.</p> <p>Board members are not involved in the investigation of a complaint.</p> <p>Probable cause is determined initially by the investigator assigned to the case and the Chief Drug Investigator. The Board’s attorney prepares the Statement of Charges.</p> <p>Should an applicant (new or renewal) be determined to be unsatisfactory with Board statute or administrative rule, the case is sent to the Board attorney to review for probable cause violation. If a violation is confirmed, the Board attorney prepares the Statement of Charges.</p>
<p><b>Negotiated Settlements</b></p>	<p>Negotiated settlements are utilized.</p>
<p><b>Notification of Resolution to the Complainant</b></p>	<p>Complainants are notified of the resolution by mail.</p>

*Code of Alabama 1975*, Sections 34-23-3; 34-23-33; 34-23-34; 34-23-92(12)

*Source:* Board Staff

**Complaint Data**

Schedule of Complaints Resolved Fiscal Years 2020 through 2023						
Year/Number of Complaints Received	Year/Number Resolved					Pending
	2020	2021	2022	2023	2024 <sup>1</sup>	
2020 / 209	131	53	11	7		7
2021 / 208		119	57	10	6	16
2022 / 223			141	57	18	7
2023 / 248				119	97	32

<sup>1</sup>As of March 22, 2024  
**Source:** Board Staff

**Average Time to Resolve Complaints** – 135 business days.

**Disposition of Resolved Complaints**

Number of Complaints	Resolution
257	No Violation
158	No Further Action
81	Letter of Concern
57	No Action by Board
42	Corrective Action
41	Permanent Surrender
34	Case Review Committee
29	Probation
20	Refer to Another Agency
19	Revoked
14	Letter of Education
14	Warning Letter
10	No Conclusive Evidence
8	Hearing Scheduled
7	Board Assessed Fine
6	Lack of Evidence to Prosecute
5	No Further Action/No Further Correspondence
3	Letter of Cooperation
3	Letter of Information
3	Suspension
2	Case Dismissed
2	Consent Order
2	No Further Response
1	Deferred
1	Dismissed with Prejudice
1	Granted
1	Letter of Concern & Action Plan
1	Letter of Expectation

<b>Number of Complaints</b>	<b>Resolution</b>
1	No Further Action – Pharmacy Closed
1	Permit Closed
1	Refer to Tennessee Board of Pharmacy
1	Warning Letter & Action Plan

**Internal Licensure Review Data**

During the review of the minutes of the Board’s meetings, cases with an “L” in the number were noticed. These numbers were different from those case numbers listed on a complaint report provided for review. Upon inquiry, the Executive Secretary stated cases that contain an "L" are cases initiated from an internal review of licenses/registrations/permits (new and renewal) applications by the Board’s staff. It was stated that these are not consumer complaints and are typically entities and individuals that have a criminal arrest and/or conviction and are required to be reviewed and/or heard by the Board before granting the license/permit/registration.

<b>Schedule of Licensure Internal Review Resolved Fiscal Year 2020 through 2023</b>						
<b>Year/Number of Licensure Internal Reviews</b>	<b>Year/Number Resolved</b>					<b>Pending</b>
	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024<sup>1</sup></b>	
2020 / 139	57	64	17	1		
2021 / 347		110	178	47	12	
2022 / 385			84	256	21	24
2023 / 442				150	156	136

<sup>1</sup>As of March 29, 2024  
**Source:** Board Staff

**Average Time to Resolve Internal Licensure Review** – 194 business days.

**Disposition of Resolved Internal Licensure Review**

<b>Number of Internal Licensure Reviews</b>	<b>Resolution</b>
242	Board Assessed Fine
214	Deferred
170	Denied
138	Granted
136	Withdrawn
76	No Further Action
63	Case Dismissed
16	Suspension
12	Dismissed with Prejudice
11	Cancelled
11	Cleared
11	Probation
10	No Action by Board
8	Duplicate

<b>Number of Internal Licensure Reviews</b>	<b>Resolution</b>
7	Cleared by Advice of Board Attorney
5	Granted with Conditions
4	Consent Order
4	Letter of Concern
3	Permanent Surrender
2	Returned for Further Investigation
2	Revoked
1	Administrative Hearing
1	Closed with Follow-up
1	Corrective Action
1	Letter of Education
1	Order from Hearing Officer
1	Pending
1	Permit Granted
1	No Further Action – Pharmacy Closed

## **REGULATION IN CONJUNCTION WITH OTHER ENTITIES**

There are no other agencies licensing persons who perform work regulated by this agency.

However, the law does not prevent licensed practitioners of the healing arts from personally compounding, dispensing, administering, or supplying to his or her patient drugs and medicines for their use.

Some oxygen retailers also have a license with the Home Medical Equipment Licensing Board if they supply to individuals in their homes.

The Board is a member of the National Association of Boards of Pharmacy (NABP). NABP is the provider of the National Pharmacy Licensure Examination (NAPLEX) and the Multi-State Pharmacy Jurisprudence Examination (MPJE). Also, in accordance with the NABP Constitution and Bylaws, member Boards of pharmacy are encouraged to report actions taken against regulated entities to the NABP Clearinghouse. The Board participates in this reporting process.

The Board is required to report to the U.S. Department of Health & Human Services National Practitioner Data Bank (NPDB). The NPDB is a confidential information clearinghouse created by Congress with the primary goals of improving healthcare quality, protecting the public, and reducing healthcare fraud and abuse in the United States. Acting primarily as a national flagging system, the NPDB provides information that permits queriers to perform comprehensive reviews of the credentials of health care practitioners, entities, providers, and suppliers. The NPDB collects information on medical malpractice payments and certain adverse actions and discloses that information to eligible entities.

# FINANCIAL INFORMATION

## Source of Funds

The Board's funds are derived from license and permit fees, reciprocal and exam fees, late fees, fines and penalties, administrative costs, and interest income.

## Accounts

The Board is authorized by the *Code of Alabama 1975*, Section 34-23-91 to operate from bank accounts rather than from the State Treasury and maintains the following bank accounts:

**Operating Account, Servis1st Bank:** The Board's Operating Account is used to collect revenues and pay operating expenses. Year-end balances remain in the account.

**Reserve Account, Servis1st Bank:** The Board's Reserve Account is used to safeguard monies by minimizing the balance in the operating account. Allows monies to be in an account that the Board considers more secure due to the nature of the account not being used for operating expenses. Monies are transferred out of the reserve account as needed to cover operational expenses.

**Forfeiture Account, Truist Bank:** The Board's Forfeiture Account is used to account for funds seized in connection with the Board's drug enforcement activities under the Alabama Uniform Controlled Substances Act. The funds are restricted for payment of expenses incurred in carrying out drug enforcement activities.

## Schedule of Fees

Fee Type	Code of Alabama 1975	Administrative Rule	Amount Authorized	Amount Collected
<b>Pharmacist</b>				
Exam Fee	34-23-51(a)	680-X-2-.34(1)	Set by Board	\$300.00
Reciprocity Fee	34-23-51(a)	680-X-2-.17(2)	Set by Board	\$300.00
Score Transfer Fee	34-23-51(a)	680-X-2-.17(2)	Set by Board	\$300.00
License (New)	34-23-51(a)	680-X-2-.34(2)	Set by Board	\$100.00
License (Renewal)	34-23-52(a)	680-X-2-.34(3)	Not less than \$25.00, not more than \$150.00	\$100.00
License Renewal Late Fee (Per Month)	34-23-52(a)	680-X-2-.34(5)	\$10.00	\$10.00
Non-Disciplinary Late Renewal Fee (Jan. 1-30)	34-23-33(b)	680-X-2-.40(1)	Set by Board	\$1,000.00
Controlled Substance (New & Renewal)	20-2-51(a)	680-X-3-.02(c)	Set by Board	\$100.00
Controlled Substance Non-Disciplinary Late Renewal Fee (Jan. 1-30)	34-23-33(b)	680-X-2-.40(1)	Set by Board	\$500.00
Pharmacist Renewal 50 Years of Licensure <sup>1</sup>	34-23-52(a)	680-X-2-.34(3)	Not less than \$25.00, not more than \$150.00	No more than \$25.00

<b>Fee Type</b>	<b>Code of Alabama 1975</b>	<b>Administrative Rule</b>	<b>Amount Authorized</b>	<b>Amount Collected</b>
Controlled Substance Renewal 50 Years of Licensure <sup>1</sup>	20-2-51(a)	680-X-3-.02(c)	Set by Board	No more than \$25.00
Non-Disciplinary CE Audit Penalty <sup>1</sup>	34-23-33(b)	680-X-2-.36(6)	Set by Board	\$100.00 - \$250.00
Duplicate License	Cost to Print			\$10.00
<b>Pharmacy Technician</b>				
License (New)	34-23-131(c)	680-X-2-.14(10)	Set by Board	\$60.00
License (Renewal)	34-23-131(c)	680-X-2-.14(10)	Not less than \$20.00	\$60.00
Late Renewal Fee (Per Year)	34-23-131(c)	680-X-2-.14(10)	Not less than \$10.00, not more than \$20.00	\$20.00
Non-Disciplinary Late Renewal Fee (Jan. 1-30)	34-23-33(b)	680-X-2-.40(1)(c)	Set by Board	\$250.00
Non-Disciplinary CE Audit Penalty <sup>1</sup>	34-23-33(b)	680-X-2-.37(6)	Set by Board	\$25.00 - \$100.00
Background Check <sup>2</sup>	34-23-131(c)	680-X-2-.14(12)	Set by Board	\$40.00
Duplicate License	Cost to Print			\$10.00
<b>Pharmacy Intern/Extern</b>				
License (New)	34-23-50(b)(4)	680-X-2-.16(2)	Not more than \$100.00	\$50.00
License (Renewal)	34-23-50(b)(6)	680-X-2-.16(2)	Not more than \$100.00	\$50.00
Non-Disciplinary Late Renewal Fee (Jan. 1-30) <sup>1</sup>	34-23-50(b)(6)	680-X-2-.16(2)	Not more than \$50.00 per Month	N/A
<b>In-State Pharmacy/In-State Pharmacy Service</b>				
License (New)	34-23-30(a)	680-X-2-.35(1)	Not less than \$100.00, not more than \$200.00	\$200.00
License (Renewal)	34-23-30(a)	680-X-2-.35(2)	Not less than \$50.00, not more than \$150.00	\$100.00
Transfer of Ownership	34-23-30(a)	680-X-2-.35(3)	Not less than \$150.00, not more than \$400.00	\$250.00
Late Renewal Fee (Per Month)	34-23-30(a)	680-X-2-.35(5)	\$25.00	\$25.00
Non-Disciplinary Late Renewal Fee (Jan. 1-30)	34-23-33(b)	680-X-2-.40(1)(a)	Set by Board	\$1,000.00
Controlled Substance (New & Renewal)	20-2-51(a)	680-X-3-.02(b)	Set by Board	\$300.00
Controlled Substance Non-Disciplinary Late Renewal Fee (Jan. 1-30)	34-23-33(b)	680-X-2-.40(1)(e)	Set by Board	\$500.00
Duplicate License	Cost to Print			\$10.00

Fee Type	Code of Alabama 1975	Administrative Rule	Amount Authorized	Amount Collected
<b>Out-of-State Pharmacy/Out-of-State Pharmacy Service</b>				
License (New)	34-23-30(a)	680-X-2-.35(1)	Not less than \$750.00, not more than \$2,000.00	\$750.00
License (Renewal)	34-23-30(a)	680-X-2-.35(2)	Not less than \$400.00, not more than \$750.00	\$400.00
Transfer of Ownership	34-23-30(a)	680-X-2-.35(3)	Not less than \$150.00, not more than \$400.00	\$250.00
Late Renewal Fee (Per Month)	34-23-30(a)	680-X-2-.35(5)	\$25.00	\$25.00
Non-Disciplinary Late Renewal Fee (Jan. 1-30)	34-23-33(b)	680-X-2-.40(1)(a)	Set by Board	\$1,000.00
Controlled Substance (New & Renewal)	20-2-51(a)	680-X-3-.02(b)	Set by Board	\$300.00
Controlled Substance Non-Disciplinary Late Renewal Fee (Jan. 1-30)	34-23-33(b)	680-X-2-.40(1)	Set by Board	\$500.00
Duplicate License	Cost to Print			\$10.00
<b>Retail Medical Oxygen</b>				
License (New)	CV-97-416-GR Mtgy. Co.	680-X-2-.23(11)(b)	Set by Board	\$400.00
License (Renewal)	CV-97-416-GR Mtgy. Co.	680-X-2-.23(11)(c)	Set by Board	\$250.00
Name/Address/Ownership Change	34-23-32(a)(3)	680-X-2-.23(11)(d)	Not less than \$500.00, not more than \$2,000.00	\$750.00
<b>Precursor</b>				
License (New & Renewal)	20-2-182(a)	680-X-2-.24(2)(b)	Set by Board	\$500.00
Late Renewal Fee (Per Month)	20-2-182(a)	680-X-2-.24(2)(b)	\$10.00	\$10.00
Permit (One time per occurrence)	20-2-182(a) 20-2-187	680-X-2-.24(3)(b)	Set by Board	\$35.00
<b>Collaborative Practice Agreements</b>				
Agreement (New)	34-23-77(f)	680-X-2-.44(8)(f)	Not more than \$300.00	\$100.00
Agreement at Indigent Clinic (New)	34-23-77(f)	680-X-2-.44(8)(f)	Not more than \$300.00	\$1.00
Agreement (Renewal)	34-23-77(f)	680-X-2-.44(12)(d)	Not more than \$300.00	\$50.00

Fee Type	Code of Alabama 1975	Administrative Rule	Amount Authorized	Amount Collected
<b>Business Permits (Manufacturer/Wholesale &amp; Private Label Distributor/Third Party Logistic/Repackager/Outsourcing Facility)</b>				
Permit (New)	34-23-32(a)(1)	680-X-2-.23(11)	Not less than \$500.00, not more than \$2,000.00	\$750.00 <sup>3</sup>
Permit (Renewal)	34-23-32(a)(2)	660-X-2-.23(11)	Not less than \$250.00, not more than \$1,000.00	\$500.00
Transfer of Ownership	34-23-32(a)(3)	680-X-2-.23(11)	Not less than \$500.00, not more than \$2,000.00	\$750.00 <sup>4</sup>
Late Renewal Fee (Per Month)	34-23-32(d)	680-X-2-.23(11)	\$100.00	\$100.00
Non-Disciplinary Late Renewal Fee (Jan. 1-30)	34-23-32.2 34-23-33(b)	680-X-2-.40(1)	Set by Board	\$1,000.00
Controlled Substance (New & Renewal)	20-2-51(a)	680-X-3-.02(a)	Set by Board	\$600.00
Controlled Substance Non-Disciplinary Late Renewal Fee (Jan. 1-30)	34-23-33(b)	680-X-2-.40(1)	Set by Board	\$500.00
Designated Representative Permit (New)	34-23-32(e)(2)	680-X-2-.23(9)	Not less than \$100.00	\$100.00 <sup>5</sup>
Designated Representative Permit (Renewal)	34-23-32(e)(2)	680-X-2-.23(9)	Not less than \$100.00	\$100.00 <sup>5</sup>
Designated Representative Late Renewal Fee (Per Month)	34-23-32(e)(2)	680-X-2-.23(9)	Not more than \$50.00	\$50.00 <sup>5</sup>
Duplicate Permit	Cost to Print			\$10.00
<b>Fines</b>				
Civil Penalty (Per Violation)	34-23-32(g)	680-X-2-.23(10)	\$4,000.00	\$4,000.00
Penalty (Per Violation)	34-23-92(12)		Not more than \$1,000.00	Not more than \$1,000.00
<b>Other Fees</b>				
Open Records Request	36-12-40 Executive Order 734		Up to \$20.00/hour, including standard fee of \$20.00	\$20.00

<sup>1</sup>Fee not set by administrative rule. See *Significant Issue 2024-008*.

<sup>2</sup>Fee not collected by Board. Collected by entity performing background check.

<sup>3</sup>Fee increased from \$500.00 to \$750.00 effective January 14, 2024.

<sup>4</sup>Fee increased from \$250.00 to \$750.00 effective January 14, 2024.

<sup>5</sup>New fee effective January 14, 2024.



## Schedule of Receipts, Disbursements and Balances

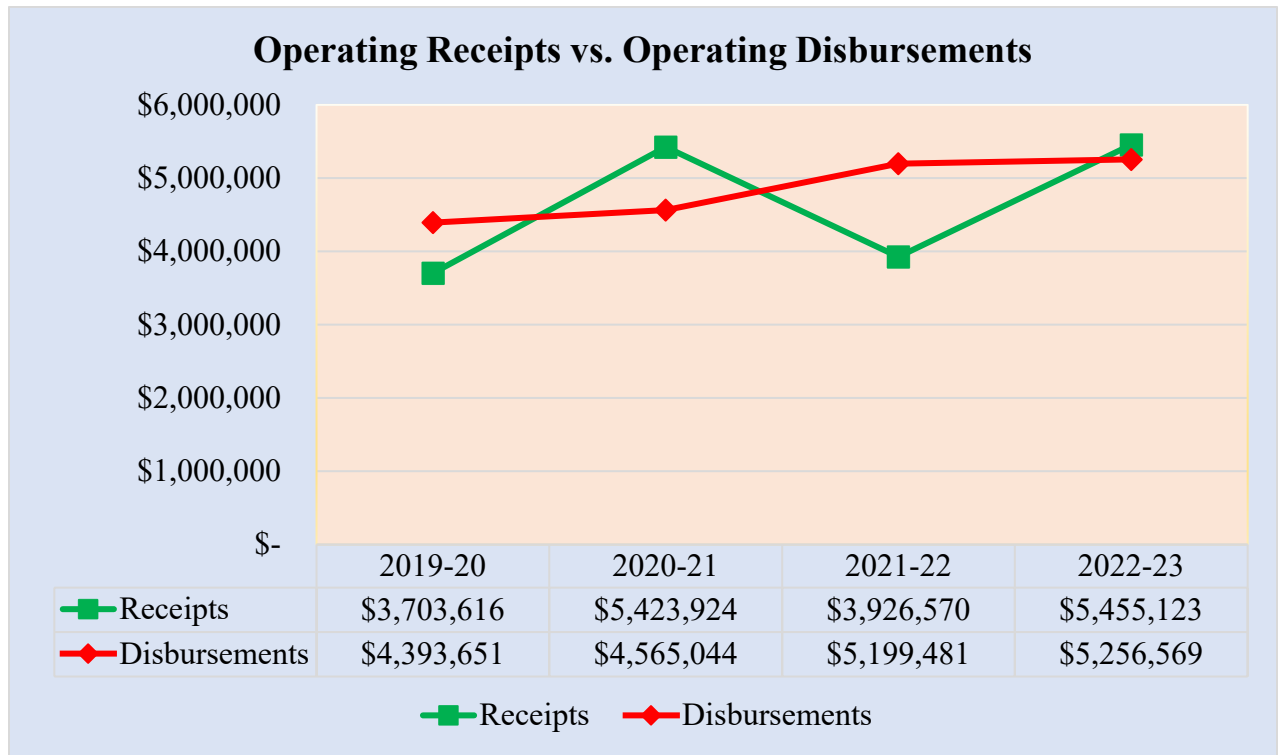
October 1, 2019 through September 30, 2023

	2019-2020	2020-2021	2021-2022	2022-2023
<b><u>Receipts</u></b>				
License & Permit Fees	\$ 2,762,235.80	\$ 4,393,271.88	\$ 2,783,287.00	\$ 4,233,947.40
Reciprocal/Exam Fees	164,700.00	183,210.00	194,030.00	174,000.00
Late Fees	113,905.00	96,525.00	174,465.25	142,113.80
Fines & Penalties <sup>1</sup>	574,759.99	618,150.00	680,960.00	194,820.00
Sale of Labels, Printouts, Lawbooks	90.00	80.00	30.00	
Interest Income	42,993.76	10,718.09	7,682.62	111,649.33
Collaborative Agreement Fees				300.00
Miscellaneous Income <sup>1*</sup>	44,931.91	121,969.50	86,114.97	598,292.82
Total	3,703,616.46	5,423,924.47	3,926,569.84	5,455,123.35
<sup>1</sup> In fiscal year 2023, the Board's financial records indicated a sharp decline (71%) in the amount of revenue collected for fines and penalties. This decline corresponded with a sharp increase (594%) in the amount of revenue being collected as miscellaneous income. See <i>Significant Issue 2024-001</i> .				
<b><u>Disbursements</u></b>				
Personnel Costs	2,353,939.44	2,587,989.13	2,880,517.03	2,965,462.74
Employee Benefits	646,059.03	718,860.35	806,840.63	856,299.44
Travel, In-State	45,926.48	60,506.93	137,856.83	90,277.87
Travel, Out-of-State	28,161.73	32,106.58	75,785.99	55,325.21
Repairs & Maintenance	86,804.72	65,882.72	26,876.87	52,296.15
Rentals & Leases	20,650.90	14,931.23	20,838.76	25,070.15
Utilities & Communications	71,745.46	61,127.08	64,207.64	60,716.28
Professional Services	606,491.57	654,455.90	794,292.52	766,370.28
Supplies, Materials, & Operating Expenses	173,439.18	182,811.44	170,100.34	122,046.01
Transportation Equipment Operations	43,167.62	44,820.98	73,932.32	57,430.75
Transportation Equipment Purchases	193,756.25		79,398.34	82,601.00
Other Equipment Purchases	123,509.00	141,551.57	68,833.63	122,672.83
Total	4,393,651.38	4,565,043.91	5,199,480.90	5,256,568.71
Excess (Deficiency) of Receipts over Disbursements	(690,034.92)	858,880.56	(1,272,911.06)	198,554.64
Cash Balance at Beginning of Year	5,266,742.82	4,576,707.90	5,435,588.46	4,162,677.40
Cash Balance at End of Year**	\$ 4,576,707.90	\$ 5,435,588.46	\$ 4,162,677.40	\$ 4,361,232.04

\*Includes refunds, charge backs, reimbursement of overpayments, proceeds from state auction of assets, and administrative costs (deferral agreements)

\*\*Balances include totals from the Board of Pharmacy Reserve Account and Forfeiture Account.

## Operating Receipts vs. Operating Disbursements

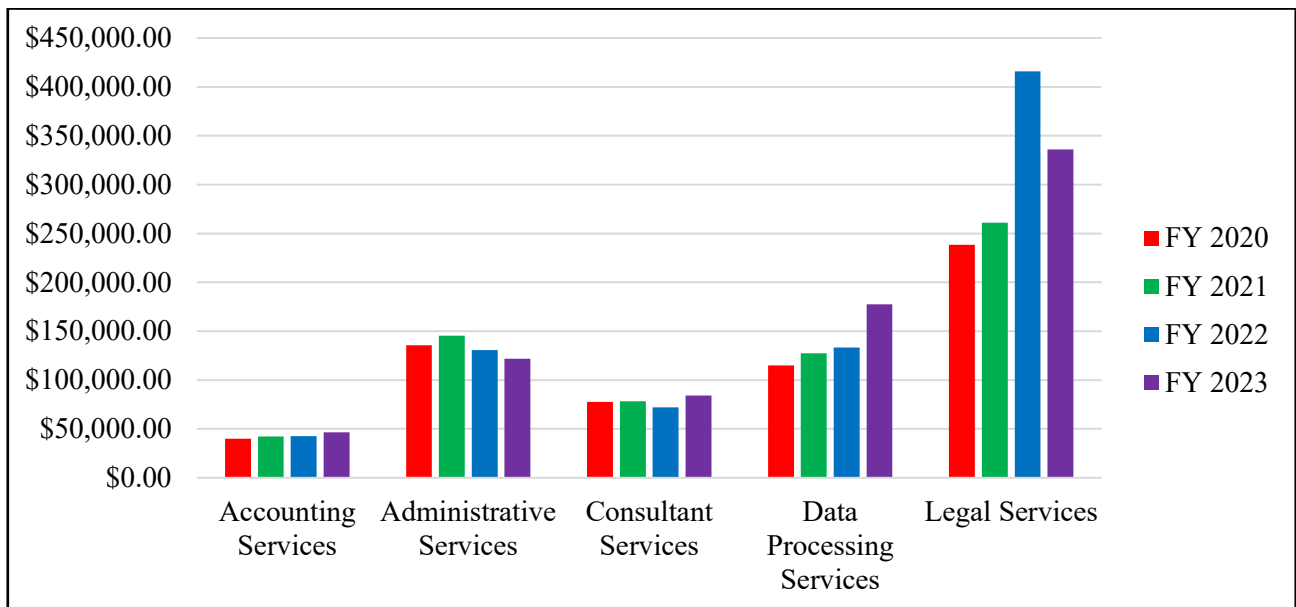


**Summary Schedule of Professional Services Disbursements\***

<b>As of September 30<sup>th</sup></b>				
<b>Type of Service</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
Accounting Services	\$40,097.77	\$42,197.10	\$42,514.66	\$46,659.09
Administrative Services	135,637.67	145,498.95	130,574.43	121,813.23
Consultant Services	77,500.00	78,350.00	72,000.00	84,290.00
Data Processing Services	114,826.82	127,473.97	133,419.37	177,516.84
Legal Services	238,429.31	260,935.88	415,784.06	336,091.12
<b>Total</b>	<b>\$606,491.57</b>	<b>\$654,455.90</b>	<b>\$794,292.52</b>	<b>\$766,370.28</b>

\*Detailed information presented in Appendix III of this report.

**Professional Services Disbursements**



# QUESTIONNAIRES

## Board Member Questionnaire

A letter was sent to all five members of the Alabama State Board of Pharmacy requesting participation in our survey. Three participated in our survey. The percentages are based on the number who responded to the question.

### **1. What do you consider the most significant issue(s) facing the Alabama State Board of Pharmacy and how is the Board addressing these issues?**

**Board Member #1** – “How to balance patient and public safety while allowing innovations that enhance patient care.”

**Board Member #2** – “The integrity of some of the medications being promoted on the internet and the challenge the board has to maintain public safety. Other challenges are AI and how we integrate AI into our workflow without jeopardizing public safety.”

**Board Member #3** – “Assuring public safety by ensuring safe and adequate pharmaceutical care to Alabamians. We license and regulate safe practices of not only pharmacists, but pharmacies, technicians, hospital pharmacy, manufacturers, wholesalers, distributors, shipping agents, and even oxygen suppliers. Our board works hard to oversee all of these entities and address complaints and violations in a timely manner. We also try not to impede upon Alabama’s access to timely and affordable healthcare.”

### **2. What, if any, changes to the Board’s laws are needed?**

**Board Member #1** – “We need changes to allow for more innovation in practice to allow pharmacist to be able to provide expanded patient care services and less functions that are purely support roles.”

**Board Member #2** – “Changing some of the technician laws will allow pharmacists to work at the top of their licenses to ensure public safety and reach healthcare deserts where there is limited access to a healthcare professional.”

**Board Member #3** – “We need to be able to regulate PBM activities as their practices are inherently related to access to care in Alabama. Their influence on every insurance paid prescription covers the majority of rxs filled in Alabama. We also need to look into our law and rules regarding compounding. USP 800 is a federally invasive guideline that is provided by a private organization who has no concept of the impact their actions on rural pharmacy care in Alabama.”

### **3. Do you think the Board is adequately funded?**

Yes	3	100%
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### **4. Do you think the Board is adequately staffed?**

Yes	3	100%
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**5. Does the Board receive regular reports on the operations from the Executive Secretary?**

<b>Yes</b>	<b>3</b>	<b>100%</b>
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**6. Has the Board experienced any significant changes to its operations?**

<b>Yes</b>	<b>1</b>	<b>33%</b>
<b>No</b>	<b>2</b>	<b>67%</b>

**7. Does the Board plan to make any significant changes in its operations?**

<b>No</b>	<b>3</b>	<b>100%</b>
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**8. Do you have any other comments you would like to make?**

**Board Member #1** – “The integrity and commitment to operational standards by our executive director, our attorney, our board staff, and our board are beyond compare.”

**Board Member #2** – “It is a privilege to serve and give back to our profession. The staff and executive director are of high integrity and do their best to serve the board members and to keep the public safe.”

**Board Member #3** – “This is my take as a second year board member: We have to oversee the prescription medications that are shipped into Alabama as well as what is dispensed within our state. Our job isn’t just about licenses and commerce—it is about preventing bad actors from sending adulterated medications to our citizens. It’s about preventing impaired pharmacists or technicians from filling your mama’s heart medication. We strive to keep people ALIVE by ensuring that every prescription filled is filled legally, safely, and with the highest standards that all Americans deserve. In filling a prescription, an error is not just a water leak or a bad haircut, or even a financial disaster, it is a LIFE at stake. We as a board, have to be able to understand the technical, medicinal, and personal aspects of the medication delivery process. It’s a science that requires specialized knowledge to regulate. As a pharmacist, I couldn’t tell the Bar how to properly manage attorneys or the Dental Board how to regulate a dentist doing a filling, but I do understand how medications and prescriptions work, and I know that we as a board are the most qualified to regulate pharmacy in Alabama.”

## Pharmacist Questionnaire

A letter was sent to one hundred and thirty-six licensees requesting participation in our survey. Thirty-two participated in the survey. The percentages are based on the number who responded to the question.

### 1. What do you consider the most significant issue(s) facing your profession in Alabama?

**Respondent #1** – “The AL BOP abuse of power and over issuance of discipline”

**Respondent #2** – “Practice Authority for Clinical Pharmacist to prescribe medications including controlled substances.”

**Respondent #3** – “reimbursements and cost of doing business”

**Respondent #4** – “PBMs not reimbursing pharmacies for the full cost of pharmaceutical. They are reimbursed less than the cost for the drugs. Numerous high cost drugs are dispensed at a loss at the pharmacy and the pharmacies are losing money.”

**Respondent #5** – “Health care cost and lack of availability of certain medicines”

**Respondent #6** – “I have been retired for 5 years, but it should be required for pharmacists to have lunch breaks, not be expected to give immunizations while filling a full Rx load, & chain pharmacy should not transfer all fault on chain pharmacy imposed limitations to appointed pharmacy managers., BBC we”

**Respondent #7** – “Lack of PBM regulation, PBM steering to their own vertically integrated pharmacies outside of the state, regulatory burdens, underpayment”

**Respondent #8** – “Long hours and no consideration for our wellbeing in times of extreme weather and national crisis.”

**Respondent #9** – “Staffing issues. Technician pay issues. High debt to income ratio with school costs and salary decreases.”

**Respondent #10** – “Two major issues: PBMs! Multiple aspects of their business, once good, now harm patients, pharmacies, and taxpayers Secondly, over regulation. Our industry needs to embrace innovation to improve care and access.”

**Respondent #11** – “First and foremost is anti-competitive practices employed by gigantic PBMs who exercise a de facto monopoly over the prescription drug business and underpay us while they keep a large spread for themselves. The evident rot at the core of the Alabama Board of Pharmacy is perhaps a close second. Their policies over the last 6 to 7 years have shifted from acting fairly on the whole and staying true to their charge of protecting the public health, to collecting excessive fines regardless of any pharmacy or pharmacist's intent in any case of an infraction, no matter how minor. There is sufficient evidence to suggest that this is to fund their own salaries, which have increased dramatically since about 2017.”

**Respondent #12** – “Culture of corruption and abuse of power by the Alabama Board of Pharmacy.”

**Respondent #13** – “The Board of Pharmacy is interrupting change for the betterment of our profession, by multiple means.”

**Respondent #14** – “The most significant issue facing the pharmacy profession in Alabama right now is the ongoing corruption by the Board of Pharmacy. I cannot understand how state legislators have allowed this board to get away with enriching themselves all of these years with minimal oversight and blatant unethical violations. The board misappropriates state funds by collecting excessive penalties in order to justify excessive salaries, travel, vehicles and payments to board members. The extorted efforts to receive these fines is...to be honest...criminal. The executive secretary and all board staff, current board members, attorney, hearing officer and investigators all need to be placed on leave while they are investigated thoroughly.”

**Respondent #15** – “Restriction on so many areas that other healthcare professionals do not deal with.”

**Respondent #16** – “Reimbursement rates from PBMs”

**Respondent #17** – “For chain pharmacists, increasing demands and decreasing ancillary help. For independent pharmacists, the control that PBM’s have over pricing.”

**Respondent #18** – “Unregulated PBMs and the catastrophic consequences they have on pharmacies and patients. Over regulation and antiquated ideas of ALBOP which creates unsafe pharmacy practice and unhealthy work environments”

**Respondent #19** – “PBMs, DIR fees, poor reimbursement, over- regulation, not enough support from the board”

**Respondent #20** – “Patient safety, constant interruptions, lack of central and remote processing”

**Respondent #21** – “PBM's and reimbursements. Pharmacists have to spend time providing other services to make money while also filling 100's of prescriptions. Multitasking in a way that is not safe for patients.”

**Respondent #22** – “The greatest issues facing pharmacy in our nation are PBM reform, patient access, and overregulation at the state level inhibiting practice innovation in patient care.”

**Respondent #23** – “Being overworked, understaffed, and constant interruptions while evaluating and interpreting prescription orders for safety and accuracy. The stress on our profession is at an all time high and most importantly, the safety of our patients is compromised.”

**Respondent #24** – “1.Pbm reimbursement 2. AMA overreach”

**Respondent #25** – “The severe overstepping of the Board for disciplinary reasons. We operate a pharmacy licensed in all fifty states, and no other state board is anywhere near as punitive for the most minute of errors. They seem to fine anyone at any opportunity for any reason to be able to continue increasing their salaries and remodeling their offices. The guise that they are protecting either the pharmacies or the patients is a complete and utter sham. They are taking care of themselves alone.”

**Respondent #26** – “Provider status”

**Respondent #27** – “Having enough pharmacies so that patients can have access to care. Pharmacies and hospitals are closing down due to reimbursement not covering expenses. Expanding services such as pharmacy technician obligations, ratio increase, reviewing the technicians included in the ratio can expand the amount of staff needed to help run a pharmacy. ALBOP has addressed this. Additionally, with the 24 hour pharmacy closings in Birmingham and other areas, ALBOP has allowed for vital medications such as respiratory inhalers that are used in emergency rooms to be dispensed for home use. This has decreased the number of patients in returning to ER and has allowed more emergencies to be treated. Access to care is a big problem in our state and this is just a piece of the pie. Other organizations need to step up as well to help give our state the access to care that it needs.”

**Respondent #28** – “Opioid prescribing”

**Respondent #29** – “Drug abuse and diversion”

**Respondent #30** – “PBMs and reimbursement less than our acquisition”

**Respondent #31** – “PBM reform and it’s impact on community pharmacy and the public.”

**Respondent #32** – “Pressures from chain pharmacies, big pharma that go against doing what’s best for the patient”

**2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public’s welfare?**

<b>Yes</b>	<b>23</b>	<b>72%</b>
No	9	28%

**3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

<b>Yes</b>	<b>22</b>	<b>69%</b>
No	8	25%
Unknown	2	6%

**4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?**

Yes	14	44%
<b>No</b>	<b>16</b>	<b>50%</b>
Unknown	2	6%

**5. Do you consider mandatory continuing education necessary for the competent practice of your profession?**

<b>Yes</b>	<b>26</b>	<b>81%</b>
No	6	19%

**6. Does the Board respond to your inquiries in a timely manner?**

<b>Yes</b>	<b>13</b>	<b>41%</b>
No	8	25%
Unknown	11	34%

**7. Has the Board performed your licensing and renewal in a timely manner?**

<b>Yes</b>	<b>31</b>	<b>97%</b>
No	1	3%



## 8. Do you have any additional comments you would like to make?

**Respondent #1** – “The AL BOP issues discipline on licenses too easily - specifically when dealing with matters that do not affect the public’s health or safety. First time offender of misfiling routine paper work unfairly resulted in 0 forgiveness and full enforcement of discipline by the BOP. Pharmacists livelihood are at stake when such disciplines are handed out and yet no benefit of the doubt or good faith measures given by the board. The BOP should serve to help protect the public’s health and safety by working collaboratively with pharmacists. Instead, the AL BOP looks at pharmacists as the problem. I do not believe the AL BOP is going about protecting public health in the right way.”

**Respondent #2** – “We are facing a significant shortage of Primary Care Providers, clinical pharmacist can help fill that void and improve patient access to care but are limited in AL (unlike other states like TN, Idaho, etc.) that allow their pharmacists to work within health care teams under full practice authority vs collaboration agreements. Also, there is a huge need for clinical pharmacist to have ability to prescribe controlled substances to again increase access to SUD treatment in the state of AL.”

**Respondent #3** – “I appreciate the additional meetings with pharmacists to discuss pharmacy topics such as what a technician should be allowed to do.”

**Respondent #4** – “No thank you!”

**Respondent #5** – “No”

**Respondent #6** – “No”

**Respondent #7** – “Regulation of pharmacy is necessary, but not to the careless and subjective degree done by our current board. Most pharmacists I know do not see the board as an ally in our desire to take care of patients, but as a hindrance (and often, an adversary). In its current form, I (and others) would rather not reach out to the board for: 1) fear of retaliation 2) inconsistencies in interpretation of laws/regulations 3) poor leadership”

**Respondent #8** – “I do not think the penalties they place on the licenses of “certain” pharmacists are equal across all races. At times it even seems they support business over the actual license of the person.”

**Respondent #9** – “No”

**Respondent #10** – “If this truly is an anonymous survey I want to mention my scenario for your audit, but please do not share it in a report as I fear retaliation. 3 years ago I had a licensing gap (<30 days) with a technician. Very simple fix, but this month I received a warning letter from the board in the mail about this incident and how I need to make sure I understand 680-x-2.12 for supervising pharmacists. This comes after months of speaking up at board meetings asking that the 5 members who do not hold my specific role consider de-regulating in response to the executive order that I might better serve and protect my patients. They have not liked that I challenged their view and sent me the letter to let me know or they are 3 years behind on issues. I am unsure but I found it an odd coincidence. Finally 5 board members do not best reflect our practice as 34-23 says it should.”

**Respondent #11** – “When I began to practice pharmacy, ALBOP was, on the whole, a trustworthy board that at least appeared to act in good faith to protect the public from bad actors in our profession. In recent years there has been a marked change in how the board operates. These changes appear to have coincided with the employment of the board’s current executive secretary. There are so many examples of evidence pointing toward corruption and bad faith at ALBOP that it is difficult to know where to begin. However, a current lawsuit against the board is a good window into the board’s actions that have caused a large number of pharmacists to lose faith in the board. [REDACTED] vs. [REDACTED] (Case [REDACTED], filed 3/23/2024 in the U.S. District Court, Northern District of Alabama) provides documentation obtained by the plaintiff’s counsel that very strongly suggests that ALBOP’s current staff (and several of its recent board members) has violated Alabama ethics regulations, has acted in bad faith against licensed pharmacists, and has shifted its focus to the collection of maximal fines regardless of an offender’s intent or the severity of the infraction. I would suggest that the Accounts Examiners in your office read the lawsuit’s allegations and its exhibits in their entirety. Keep in mind that in its original case against Mr. [REDACTED], ALBOP charged him under a Federal rule for actions that were not his responsibility according to the wording of said rule and in the judgement of the DEA. This is a recurring theme in recent years: ALBOP’s attorney and executive secretary have broadened their interpretation of rules and laws to the point that charges are issued against parties who have no liability under the letter of the law, or are issued under laws that only apply when the most strenuous mental gymnastics are performed. Another example of corruption is the board’s practice of examining other states’ boards of pharmacy records to search for infractions by pharmacies or pharmacists also licensed in Alabama, with the intent of collecting maximum fines from those licensees under a broad interpretation of Alabama law. The instances where this occurred were made public by a recent records request, and few (if any) serve the purpose of protecting the public. Perhaps the most egregious example (among many that are similar) is ALBOP’s actions against [REDACTED] [REDACTED] in March 2022. [REDACTED] [REDACTED] had given late notice of a change in supervising pharmacist to the Alaska Board of Pharmacy in 2020. The pharmacy was fined \$250, which was a reasonable penalty for what amounts to a minor infraction with no ill intent. Upon discovering this, ALBOP charged [REDACTED] [REDACTED] with infractions of Code of Alabama section 34-23-33(2), 34-23-33(13), and 34-23-1. The second and third counts imply that the pharmacy broke the board’s code of conduct and obtained a license by fraudulent means, both of which are ludicrous charges given the circumstances. [REDACTED]’s minor infraction of Alaska’s law had no effect on the citizens of Alabama. And yet the outcome of the case was that the board levied a \$2,000 fine for a single infraction, ostensibly to protect the public. How this fine is within the \$1,000 limit prescribed by Alabama Code section 34-23-92(12) is a mystery. There is also at least one example of ALBOP breaking its own rules in favor of wealthy corporations who wield influence over the board, evidently by virtue of their employee being a board member or their former employee being a member of the staff. AL Board of Pharmacy Administrative Code Chapter 680-X-2-.22(h) forbids offering monetary rewards to an individual to encourage that individual to transfer a prescription to one pharmacy from another. This has been interpreted by the board to indicate that no monetary offer may be made for new fills of a prescription in addition to prescription transfers; however, chain drug stores (e.g., [REDACTED] and [REDACTED]) have continued to offer gift cards to patients who get a flu vaccine from their store. When this was brought to the attention of a board inspector, he agreed that this was against the rule, but then informed the pharmacist who had brought it to his attention that ALBOP had provided a “letter of dispensation” to allow the chains to continue this practice. This indicates that the board members and staff in recent years have not applied the rules to everyone, but

primarily to people who are not connected to the board in some way. This uneven application of processes and rules extends to the board's process for infractions. Small pharmacies are sent a statement of charges with no option for a deferral (that is, any infraction against the license is made public). However, large pharmacies owned by out of state entities are almost uniformly given a deferral option. Thus the application of the rules varies by how much financial power the licensee has to fight a given charge, not in an evenhanded manner. Further, there are recent cases of ALBOP offering licensees the option to settle an infraction "privately." The licensee is told that he/she may pay a fine and have a public citation on the license's record, or pay a much higher amount to keep the matter out of the public record. A recent public records request of ALBOP's 2023 financials through September 30 indicates nearly \$600,000 in "miscellaneous income." This serves the corruption at ALBOP in two ways: the board members may claim that the amounts of the fines they have collected (which have recently been under scrutiny) have decreased, while allowing them to collect higher amounts with no public records that may be examined. There are many other examples. In every case of an infraction that I have heard of in recent years, the board collects the maximum \$1,000 fine, and usually finds a pretext to charge the licensee with more than one count. Further, being honest with the board if a licensee thinks he may be committing an infraction and asks for guidance is only likely to result in a fine at this point. In past years, pharmacists could call board staff to ask for clarification as to whether a current practice was in line with the regulations. This has changed: board staff now require that all inquiries be sent via email so that there is a paper trail, which may be examined by the Executive Secretary and Chief Investigator to see whether there is an opportunity for ALBOP to send the licensee a statement of charges. This does not serve to protect the public. Rather, it encourages licensees to avoid communication with ALBOP altogether. These changes in ALBOP's methods resulting in dramatic increases in the amounts of total annual fines collected have coincided with a startling increase in salaries for the board members and staff. These salaries have nearly tripled from 2013 to 2022 ([https://www.lagniappemobile.com/news/bitter-pill-lawsuit-shines-light-on-state-pharmacy-board-article\\_6cfa61c8-f1d2-11ee-b23b-3b1441099f80.html](https://www.lagniappemobile.com/news/bitter-pill-lawsuit-shines-light-on-state-pharmacy-board-article_6cfa61c8-f1d2-11ee-b23b-3b1441099f80.html)), and it is my understanding that the board attempted to approve a \$500,000 annual salary for its current counsel. Since there is no oversight of ALBOP's expenditure of the fines it collects, it would appear to the most casual observer that the board members and staff are driven to collect greater fines in an effort to pay themselves higher salaries. This is a glaring conflict of interest. I could continue these illustrations for scores of pages. The board has ignored the statute of limitations (charging licensees for misdemeanors on thin premises three years after the fact); it has broadened its interpretations of pharmacy regulations dramatically so that it may issue more charges and therefore collect more fines; its staff has threatened pharmacists for possessing or sharing publicly available information that is unflattering to ALBOP ... the list seemingly never ends. None of this complaint is to imply that pharmacy should be unregulated. Unfortunately, there are bad actors in every profession, and a board is necessary to take action against those bad actors who would do actual harm to the public for their own personal gain. But ALBOP has seemingly gone off the rails, and is no longer a board that will work with licensees who act in good faith. Rather, it treats every licensee as suspect in its attempts to maximize its revenue. Its current practices and procedures essentially amount to extortion. I would urge your office to look very closely into each of the practices of ALBOP and its staff, keeping in mind that there are plenty of examples to indicate that there is rot at its core."

**Respondent #12** – “The Board stacks charges if there is a violation to increase fines and revenues. In the event a deferred prosecution is offered they access an exorbitant administrative fee. The Board is incentivized to charge additional so that they can spend the revenues on self serving purposes. They have implemented a salary for the Board members along with extensive travel and conference perks. There is no accountability on receipts and expenditures. One Board member, [REDACTED], does not meet minimum qualifications for holding a Board position, he is neither a practicing pharmacist no employed in pharmacy administration. The board has expended large sums of money on real estate and remodeling, instead of protecting the public. They have hired pharmacists to handle administrative functions again spending needless money. Last year the executive secretary admitted she had not mail out rule changes even though the rules required a mailing. She said postage was too expensive. Personnel are hired often times because they are friends with board employees and not thru a hiring process. The board does have the right to hold, buy and sell property. Recently a Board president gave away a Board vehicle to a friend in public but before he conveyed title had the motor pool install a new transmission. The public and the profession deserve to be represented by individuals with the highest of moral values, not individuals that seek personal gain. The legislature should sunset the board and start all over again. The culture is so corrupt you cannot begin again with any of the current staff and most of the board members.”

**Respondent #13** – “The Board of Pharmacy should be reviewed for several issues. These are just a few that I am aware of/have heard first hand from pharmacist acquaintances: 1) A pharmacist acquaintance was offered an 'administrative fee' to remove a 'penalty/fine' from that pharmacist's record- ie, the Board offered an illegal \$\$\$ fee to a pharmacist to keep a 'penalty' off that pharmacist record. Please review the Board's settlement offers to find their administrative fees charged to pharmacists in lieu of the fines (that are listed in the State Administrative Code). 2) Please review the trips that Board staff are traveling...number of staff, extravagant dinners, state stipend amount per day? In addition, the Board meets for dinner each month prior to the monthly Board meeting. It is understood that these dinners are extravagant, including [much] alcohol, and should be reviewed to ensure that the state meal stipend is followed, and that the state pharmacists are not paying for these extravagant dinners. 3) A Board investigator engaged in inappropriate and VERY intimidating behavior with multiple female employees, forcing one to draft a statement with no witness present. Please check how, when, and where investigators meet with young female pharmacy staff. 4) Please check the vehicles that have been assigned to the Board staff. It has been reported that the Board gave/sold at a low rate a state motor pool vehicle (our understanding it was reported at a Board meeting that the vehicle was repaired at the State Motor Pool prior to giving to a friend of the Board). 5) Please check into hiring practices. It seems that spouses and friends are hired for positions in lieu of publicly announcing openings. Please also review how the Executive Director was hired. There were not even one public interview, although we know for a fact that very competent, experienced pharmacy state leaders applied for the position and was turned down (without interviewing) to hire the current ED from the State Board position to which she held (against state law). 6) There is an "X" (formally known as Twitter) account that is quite open about concerns related to the Board practices. Although we are unsure of who is behind the account and the validity of the accusations, there are many, many issues brought to light on that account that should be investigated, such as the amount of fines charged by the Board as opposed to other state agencies, the Board staff salaries, hiring practices, etc. The account may be found under "United Alabama Pharmacists" and can be found here: <https://x.com/AlaPharmacists> 7) There is multiple litigation against the Board of Pharmacy- many things related to this litigation should be reviewed by your group, such as the actions of

the investigators and Board staff. More information on the litigation can be found here: a) <https://caselaw.findlaw.com/court/us-11th-circuit/2191694.html>

b) <https://www.al.com/news/2024/04/pharmacist-convicted-over-pain-pills-challenges-powers-of-alabama-pharmacy-board.html#:~:text=An%20Alabama%20pharmacist%20who%20served,that%20he%20was%20maliciously%20prosecuted.>

c) <https://www.alreporter.com/2022/09/08/ags-office-tosses-charges-against-pharmacist-opens-investigation-into-pharmacy-board/>

d) [REDACTED] v. [REDACTED], Aug 10, 2022 — Case Number: [REDACTED].”

**Respondent #14** – “As a pharmacist, I am scared of retaliation by the board. Every pharmacist I know is afraid to interact with the board because they know the board will come after them. This has to change. Even people that ask questions at board meetings end up with investigators hounding them or reports made against them to the bar if they are dually licensed as a pharmacist and an Attorney in Alabama. This fear results in skewed data during the oversight reviews of this board as pharmacists are in fear for their licenses/jobs/careers if they speak up against actions taken by the board. I feel that public protection is not top priority for this board, but that disciplinarys are frivolously filed in order to appear as though it is. It all has to do with exercising power and collecting money to pay board members’ salaries, millions in salaries at the board, redoing the building and buying unneeded vehicles so the investigators “can chase people.” (Please tell me the last time a board investigator had to “chase” a licensee?) Many of this board’s laws, rules and policies are unnecessary and are a hinderance and restriction on our practice of pharmacy which in turn, hurts the public. I speak at conferences and train students and lead a group of pharmacists, and it is difficult to show trust and faith in our agency board while these actions are taking place. The board members, their attorney and the executive secretary distort the laws and rules for misleading gain. They certainly can’t explain it to pharmacists. The rules and statutes they pass are only to try and increase the revenue to pay themselves more. Anytime I email the board to ask a question, I either get no as an answer or the wrong answer. I cannot trust their guidance. I was appalled to learn of the amount in fines that this board is collecting. All of the investigators are former police officers and carry guns like we are criminals, when all the pharmacists I know are constantly trying to uphold the laws and do things the right way. I was so thankful when the attorney general stepped in and removed the previous board attorney. The current board attorney, who was also involved in the illegal actions taken by this board, is absolutely incompetent and due to her pre-existing friendship with the executive secretary, does not hold the executive secretary accountable to her role. Pharmacists in Alabama have been told for decades about our “amazing wellness program” aimed to help impaired pharmacists. After knowing a few colleagues who have entered into this program, I would never suggest another pharmacist self-report an addiction issue: the truth is, it is only a trap and is not confidential and administered according to state law. Even the website is misleading. Lastly, what is going on with the salaries and expenses at the board??? Why is there no oversight to their spending? My understanding is that board members were to be reimbursed a per diem amount for their time given to board meetings, because it does take time away from their full-time jobs.....being a board member is not supposed to come with a salary of \$60,000 per year and an unlimited travel budget! Why am I as a pharmacist having to fund this??? I hope the sunset committee of the Alabama legislature is as disgusted with this board as all of the pharmacists in Alabama are and I hope they wipe the slate clean and start over.”

**Respondent #15** – “The board regulates pharmacist like we are not professionals, and that we have poor professional judgment. Instead of the doctorate program that we have obtained and take it very serious.”

**Respondent #16** – “The Board is restricting tech ratios to an unworkable level. If it does not change, we will not have any valuable retail/community pharmacists left.”

**Respondent #17** – “I feel strongly that board members should be PRACTICING pharmacists and not middle management for chains or hospitals that are beholden to their upper level supervisors.”

**Respondent #18** – “Board members of ALBOP should be very familiar with pharmacy practice but seem to have little use for improving the work environment and red tape that we actually encounter in the pharmacy. I have been a pharmacist for almost 20 years and have seen drastic changes in pharmacy practice. The one positive change is technician immunization capability. This has relieved a lot of stress off of pharmacists and took a pandemic for AL to get on board. I am also licensed in a neighboring state and worked there from 2011-2017 and did not have to experience the antiquated ideas of a state board. They were proactive and forward thinking in alleviating stressors that plague pharmacies. Central fill and remote work were just two of the components that were already in place in that state over 10 years ago! Regulation is needed but not over regulation. If other states can function without so much over regulation why can't AL do the same thing. Why can't ALBOP have more of an influence over our state to implement some much needed regulation on the PBM machine? PBMs are causing mass casualties of small independent pharmacies and the pharmacy governing body for our state seems to do very little to advocate for it's pharmacists and ultimately the patients of our state”

**Respondent #19** – “The Board of Pharmacy should not only seek to protect patients in the State of Alabama but also to advocate for the Pharmacist who practice here and take care of patients. The Board should seek to be an ardent supporter of progress in the profession of pharmacy helping to actively seek ways both patients and pharmacist can thrive. They should do this through lobbying for better reimbursement, implementing regulations that require transparent fee structure, advocating for advancements in processing and technology and seeking to help Pharmacist achieve provider status. As the most accessible healthcare providers to the general public - Pharmacist should be championing patient access to care and be part of the provision of this care and be compensated for it. The Board should communicate better and actively seek new innovative ideas on how to improve patient care and pharmacy practice. No Board should exist to solely legislate punishments and exact fines. They should actively seek and welcome input from their members and be actively working to advance the practice of pharmacy in this State. It is my opinion that Albop fails to address major issues that plague the practice of Pharmacy in Alabama. We fall behind other states willing to be open to progress and our citizens suffer greatly for it. Patient care in Alabama suffers and people go without needed services and assistance because Albop refuses to advocate for the profession of Pharmacy in Alabama.”

**Respondent #20** – “The state of Alabama really should consider allowing remote or centralized pharmacists and technicians to do technical functions, such as data entry, DUR, pre-verification so these can be done in an environment without constant continuous interruptions. This would improve patient safety in the accuracy of their prescriptions. Onsite pharmacists could focus more on consultations, vaccinations, CMR, MTM - all of the important patient interaction parts of pharmacy. This would allow for the best possible outcomes for patients in multiple areas of their health.”

**Respondent #21** – “We should be able to use services like central fill. Certain tasks should be allowed to be completed in a remote setting. PBM's need to be scrutinized.”

**Respondent #22** – “I share my ideas, thoughts, and opinions in an anonymous manner in fear of retaliation from ALBOP. As a consultant pharmacist in long term care I fear our state will not be equipped care for our aging patient population over the next decade. The projected growth in long-term care residents is expected to grow from 1 million (today) to 2 million. There are several long-standing issues that many pharmacists have noticed over the years in the way ALBOP operates. ALBOP’s role is simply to protect the public, but it certainly feels like they have lost their way. First, they have made it increasingly more difficult for businesses (whether chain, independent, or out of state pharmacies) to operate to provide pharmacy services in our state. The Alabama Practice act (Title 34) is old and antiquated. The Alabama Administration Code 680-x is the same but has grown significantly over time so much that most pharmacists don’t know the difference between the two and this should be made clear. The verbiage in Title 34 and AL Code 680-x should be updated to read more clearly and expanded to allow businesses to use technology and/or newer business models to benefit their businesses and patients in this day and age. Second, I’ve personally been in hearings and have witnessed the way the board members and previous lawyer have spoken to and treated individuals and business owners. These experiences made me fearful that ALBOP functions as the judge, jury, and executioner with little to no oversight whatsoever. Third, it’s extremely difficult to contact any of the board members. How can the line of communication between practicing pharmacists and ALBOP become more fluid, communal, and beneficial? Fourth, the voting process for electing board members should be modified. The Alabama Pharmacist Association has a tremendous amount of influence in pushing through 4 of the 5 board members elected each term. Fifth, when attending the monthly board meetings, the treasurer swiftly reviews the percentages of their year-to-date expenses in their budget, but there are no tangible numbers mentioned. Licensing and fines pay their salaries while tax dollars funded the boards inception. This should always be public knowledge and readily available. Sixth, according to public records request the board and staff salaries exceed \$3 million annually. I’m hard pressed to believe they provide equivalent value.”

**Respondent #23** – “We need regulations in how much a pharmacist can do alone - when to have a second pharmacist on the shift to help with workload. We need lunch breaks. We also need some sort of regulation as to what all a pharmacist should be subjected to when performing the job of pharmacist. No other healthcare provider is subjected to the distractions we are on a daily basis while trying to safely take care of patients.”

**Respondent #24** – “The current board has little concern with decreasing their rules to conform to Executive order 735.”

**Respondent #25** – “Nothing in addition to what was mentioned above. The Board of Pharmacy needs to be torn down completely and reconstructed with individuals who are actually out to protect the profession and the patients rather than their own pocketbooks.”

**Respondent #26** – “Current representation on the board is largely retail. I'm not sure this reflects the proportion of pharmacists in institutional practice.”

**Respondent #27** – “The required CE from ALBOP is a step to ensure that those that are performing certain tasks are doing these tasks with up-to-date training. Some examples include immunization training since the CDC updates their requirements frequently and parenteral certification/re-certification to ensure those performing the duties are keeping up with USP guidelines. If pharmacists are not providing those services then they do not have to complete the CE for those items. Additionally, with the events that occurred with 9 Alabama deaths (over 10 years ago) from improper sterile compounding practices by a pharmacy within our state, it was time that ALBOP addressed this issue. Pharmacists do not need to obtain a one time certification and then not update their practice with new guidelines. That would be irresponsible for the pharmacist and those licensing the pharmacist. Lastly, ALBOP answers my emails in a timely manner and any phone call that is necessary as well.”

**Respondent #28** – “No”

**Respondent #29** – “ALBOP has done a wonderful job supporting me by responding in a timely fashion, interviewing employees, reviewing video coverage, and answering my questions to reduce/eliminate healthcare worker drug diversion.”

**Respondent #30** – “State board is necessary for oversight of our profession but their actions in the past need review. Why are the fines issued so much higher than other states boards and other Alabama professional boards? Why is [REDACTED] [REDACTED]’s salary so high and is that salary paid for by the fines issued? If a program is implemented to help compliance and help the residents of the state of Alabama, why would the state board attorney be against it? Are they searching for fines or are they searching for ways to help the profession serve Alabama residents?”

**Respondent #31** – “N/A”

**Respondent #32** – “The board has used its power to punish those it doesn’t like or agree with in the past.”



# **Pharmacy Technician Questionnaire**

A letter was sent to one hundred licensees requesting participation in our survey. Seven participated in the survey. The percentages are based on the number who responded to the question.

## **1. What do you consider the most significant issue(s) facing your profession in Alabama?**

**Respondent #1** – “Having enough time to learn hands on without feeling like your being scrutinized for not going fast enough when it’s all new to a person who has never done this type of job before.”

**Respondent #2** – “Pay”

**Respondent #3** – “Low pay rates”

**Respondent #4** – “Insurance dictating healthcare”

**Respondent #5** – “Pay”

**Respondent #6** – “Behavior of patients and lack of staffing within the industry. “

**Respondent #7** – “In my opinion, the primary concern confronting the pharmacy technician profession revolves around the insufficient influx of high-caliber individuals joining the field. The state has taken steps to enhance the status of the profession by mandating increased educational prerequisites for obtaining state registration. But I am concerned that the educational institutions providing training may not be producing adequately knowledgeable / trained individuals. I also believe that the pharmacy technician profession may not be widely perceived as a possible career path but rather as a mere entry-level job.”

## **2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public’s welfare?**

<b>Yes</b>	<b>6</b>	<b>86%</b>
<b>No</b>	<b>1</b>	<b>14%</b>

## **3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

<b>Yes</b>	<b>3</b>	<b>43%</b>
<b>No</b>	<b>4</b>	<b>57%</b>

## **4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?**

<b>Yes</b>	<b>2</b>	<b>29%</b>
<b>No</b>	<b>2</b>	<b>29%</b>
<b>Unknown</b>	<b>3</b>	<b>43%</b>

**5. Do you consider mandatory continuing education necessary for the competent practice of your profession?**

Yes	6	86%
No	1	14%

**6. Does the Board respond to your inquiries in a timely manner?**

Yes	3	43%
Unknown	4	57%

**7. Has the Board performed your licensing and renewal in a timely manner?**

Yes	7	100%
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**8. Do you have any additional comments you would like to make?**

**Respondent #1** – “No”

**Respondent #2** – “No”

**Respondent #3** – “No”

**Respondent #4** – “No”

**Respondent #5** – “None”

**Respondent #6** – “no”

**Respondent #7** – “I believe that regulation by the Alabama Board of Pharmacy is essential to ensure the safety and well-being of the public. However, some of these regulations are outdated. With the advancement of technology and automation, pharmacy technicians are now capable of handling tasks that don't necessarily require a pharmacist's professional judgment. One example of a regulation that needs reevaluation is the technician to pharmacist ratios. Reassessing partnerships with organizations such as PTCB is essential to guarantee they contribute to the advancement of the profession. Continuing education mandates should offer genuine value and not merely be seen as a checkbox exercise that technicians rush through. The acquisition of continuing education shouldn't impose undue burdens on pharmacy technicians. While I have confidence that the board endeavors to effectively communicate policy, rule, and law changes, I often find myself uninformed and not receiving these updates promptly. Furthermore, many of these changes may not directly impact technicians, leading to them being overlooked. Since I've never had an interaction with the board, I can't speak to their response times. However, I can attest that the licensing renewal process is generally swift and straightforward, with most individuals receiving their registration within a week. Providing a clear receipt of payment could be beneficial for technicians seeking reimbursement.”

## Intern/Extern Questionnaire

A letter was sent to one hundred licensees requesting participation in our survey. Six participated in the survey. The percentages are based on the number who responded to the question.

### 1. What do you consider the most significant issue(s) facing your profession in Alabama?

**Respondent #1** – “Having a board this is against pharmacist rather than for us.”

**Respondent #2** – “Not being able to utilize the pharmacy degree to the fullest. To be honest, I think that prescriptive authority should rest with pharmacists while diagnostic authority should remain with doctors. This would make the most sense and utilize both professions to the fullest.”

**Respondent #3** – “Congress men and women who are uneducated about the profession.”

**Respondent #4** – “N/A”

**Respondent #5** – “The grueling hours of work and not enough break time”

**Respondent #6** – “Corporate greed causing short staffing with increasing workload.”

### 2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public’s welfare?

Yes	5	83%
No	1	17%

### 3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?

Yes	2	33%
No	1	17%
Unknown	3	50%

### 4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?

Yes	2	33%
No	3	50%
Unknown	1	17%

### 5. Does the Board respond to your inquiries in a timely manner?

Yes	1	17%
Unknown	5	83%

### 6. Has the Board performed your licensing and renewal in a timely manner?

Yes	6	100%
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**7. Do you have any additional comments you would like to make?**

**Respondent #1** – “Having people come to the school with scare tactics during orientation is unnecessary and uncalled for. I have honestly regretted my decision to become a pharmacist ever since. The only thing that I remember concerning my school's orientation was the representative of the ABOP telling us they essentially care nothing about us.”

**Respondent #2** – “No”

**Respondent #3** – “No”

**Respondent #4** – “N/A”

**Respondent #5** – “N/A”

**Respondent #6** – “N/A”

## **Pharmacy Services Questionnaire**

A letter was sent to twenty-eight licensees requesting participation in our survey. Six participated in the survey. The percentages are based on the number who responded to the question.

### **1. What do you consider the most significant issue(s) currently facing your profession in Alabama?**

**Respondent #1** – “The statutes and rules are confusing and conflicting”

**Respondent #2** – “Reimbursement of goods and services by third party payors and lack of respect from patrons of pharmacy”

**Respondent #3** – “There has been a shift in pharmacy where pharmacist now have to be more concerned about their bottom line than the best interest of the patients due to low profit margins and PBM oversight. Independent pharmacists are pushed heavily by owners to upsell unnecessary products just to keep the lights on.”

**Respondent #4** – “None”

**Respondent #5** – “Antiquated regulation and fear of technology/shared services to help move pharmacy forward in the state. Even as regulations are promulgated, industry is often outpaced with technology to support the profession. Public perception Decreasing enrollment in pharmacy school as well as decreasing number of graduates who then go on to pass exams and become licensed to practice Decreasing number of primary care physicians and patients looking elsewhere for care, however current Collaborative Practice regulations are limiting in nature to assist the citizens of Alabama Limited pharmacy technician duties and ratio. While the training and education requirements for pharmacy technicians were amended several years ago, the movement for technicians to provide additional support to the pharmacist has not advanced.

**Respondent #6** – “Healthcare continues to evolve and Alabama requirements around ratio, centralized processing and fulfillment and remote practice need to be updated to national allowances.”

### **2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public’s welfare?**

<b>Yes</b>	<b>6</b>	<b>100%</b>
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### **3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

<b>Yes</b>	<b>4</b>	<b>67%</b>
No	1	17%
Unknown	1	17%

**4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?**

<b>Yes</b>	<b>4</b>	<b>67%</b>
Unknown	2	33%

**5. Does the Board respond to your inquiries in a timely manner?**

<b>Yes</b>	<b>5</b>	<b>83%</b>
Unknown	1	17%

**6. Has the Board performed your licensing and renewal in a timely manner?**

<b>Yes</b>	<b>6</b>	<b>100%</b>
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**7. Do you have any additional comments you would like to make?**

**Respondent #1** – “no”

**Respondent #2** – “I also would like third party payors to not restrict where a patient must get medications. Let the service determine where the patrons go.”

**Respondent #3** – “no”

**Respondent #4** – “None”

**Respondent #5** – “Prior to Board meetings, it would be beneficial for the public attendees to be provided the information that Board member’s review (redacted where needed) to follow in discussion and potentially engage in discussion with the Board when topics are discussed. Other states, such as California, Florida, Washington, and Virginia provide this for the public. This is also beneficial when the Board is discussing amending or introducing a new rule during a meeting as the rule is read quickly before discussion ensues and it would be beneficial to have a reference as a member of the audience. The Board could also add a standing agenda item to allow for public comment at the end of the meeting. Finally, now that Board meetings can be attended via Webex virtually, it would also be appreciated that the videos of the Webex be made public to be watched if a meeting cannot be attended in real time. Other states, such as Arkansas, North Carolina, Oregon, South Carolina, Tennessee, and Texas all offer this through You Tube channels or other means on the website.”

**Respondent #6** – “I would like to see the Board eliminate ratio, adopt the NABP Model Act related to shared services, encourage remote practice for all pharmacy personnel and continue to partner well with all groups within the pharmacy profession and industry. The Board should also be open to review of historic enforcement processes that may have lead to inequity to out of state pharmacies.”

## Chain Pharmacy Questionnaire

A letter was sent to thirty licensees requesting participation in our survey. Eight participated in the survey. The percentages are based on the number who responded to the question.

### **1. What do you consider the most significant issue(s) currently facing your profession in Alabama?**

**Respondent #1** – “Drug shortages, getting proper reimbursement, difficulty finding ancillary personnel”

**Respondent #2** – “Corporate take over of the Pharmacy profession. PBM's”

**Respondent #3** – “PBM overreach and the automation of pharmacy.”

**Respondent #4** – “Lack of general respect from the community-I think the COVID pandemic ruined pharmacy as being seen as a respected profession. I also think the big pharmacies contribute to that, they don't have time to really care about their patients, only their numbers, and then people expect that from every pharmacy and tend to have a preconceived notion that we are all bad and therefore treat us bad. [REDACTED] is also out here creating a monopoly which is illegal but what do I know. PBMs are gaping us left and right. Pill mills. Suboxone Clinics. I can't even begin to tell you the amount of times I've heard "I didn't even see my doctor today I just picked up my scripts" or "no I haven't taken a drug test in months" yet our ordering and dispensing is watched by the DEA and cut off at a certain number? Cool cool.”

**Respondent #5** – “PBMs”

**Respondent #6** – “Costs associated with running a pharmacy based on decisions made by the board of pharmacy.”

**Respondent #7** – “Outdated regulations that stifle innovation or prevent the use of new technology”

**Respondent #8** – “ALBOP is very restrictive compared to other states with the use of technology. Our company cannot use Central Fill from Florida because the board says Florida does not follow same pharmacist to tech ratio rules as Alabama. We cannot use Central Processing due to an archaic rule that says a pharmacist's initials have to be on the label at the home store AND the remote store (even though this is all in an electronic database). For the same reason, we cannot have different pharmacies in Alabama help each other with workload if a store has call outs. They are also very restrictive with the pharmacist to tech ratio. Other states do not have a ratio or have higher ratios. This limits the amount of help pharmacists can use from technicians.”

### **2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public's welfare?**

Yes	7	88%
No	1	13%

**3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

Yes	4	50%
No	3	38%
Unknown	1	13%

**4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?**

Yes	5	63%
No	3	38%

**5. Does the Board respond to your inquiries in a timely manner?**

Yes	6	75%
No	2	25%

**6. Has the Board performed your licensing and renewal in a timely manner?**

Yes	8	100%
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**7. Do you have any additional comments you would like to make?**

**Respondent #1** – “No”

**Respondent #2** – “No”

**Respondent #3** – “no”

**Respondent #4** – “Off site pharmacist being able to check scripts is dangerous. Not having a pharmacist on site at all is a terrible idea and will be fully taken advantage of. Y'all should walk into a [redacted] or [redacted] around Gadsden and see the morons they hire as technicians, disrespectfully. They give a nametag to anyone that can breathe.”

**Respondent #5** – “No”

**Respondent #6** – “no”

**Respondent #7** – “The Board acts in a manner prohibiting change. They are willing to hear new ideas or compare how neighboring states are handling changes in the profession but they consistently find that no change is the best path for Alabama.”

**Respondent #8** – “[redacted] [redacted] has been great, she seems very progressive. I would say the same for [redacted] [redacted]. Some of the other board members seem to have their own personal agendas and have been conservative with their interpretation of rules ([redacted] [redacted] is one of them).”



## **Community Pharmacy Questionnaire**

A letter was sent to one hundred licensees requesting participation in our survey. Thirty-one participated in the survey. The percentages are based on the number who responded to the question.

### **1. What do you consider the most significant issue(s) facing your profession in Alabama?**

**Respondent #1** – “under payment by commercial insurance plans”

**Respondent #2** – “3rd party reimbursements PBM's”

**Respondent #3** – “Reimbursements and PBM transparency”

**Respondent #4** – “reimbursement, drug pricing, transparency”

**Respondent #5** – “staying in business due to reimbursement issues, allotments, supply chain”

**Respondent #6** – “The most significant concern in pharmacy is that the State Board of Pharmacy and the State Board of Insurers don't work together to ensure that reimbursement for services rendered is enough to keep us compliant with state and federal regulations. Getting paid 39 cents to dispense a medication does not meet our labor and overhead costs, and this doesn't include the cost of staying compliant with the state board.”

**Respondent #7** – “Costs of ever changing USP 797 regulations!”

**Respondent #8** – “Reimbursement of drug cost from insurance companies. Being required to perform professional duties because they are legally required with no payment.”

**Respondent #9** – “Insurance regulations and payments”

**Respondent #10** – “Pharmacy Benefits Managers and Transparency in Pricing”

**Respondent #11** – “Abusive and deceptive practices of PBMs.”

**Respondent #12** – “If i can pay DIR fees”

**Respondent #13** – “Cost to continue compounding due to enforcement of theoretical risks with no foundation of employee harm or risk. (for example: USP 800 guidelines for medications that are not antineoplastic or chemotherapy).”

**Respondent #14** – “Third party reimbursements (see [www.fairmedsala.com](http://www.fairmedsala.com))”

**Respondent #15** – “Third party reimbursement”

**Respondent #16** – “PBM overreach/vertical integration of payers”

**Respondent #17** – “Low reimbursements that never go up even though salaries and expenses go up drastically. You can't keep staff if you don't pay them competitively but PBMs (insurance companies) keep cutting reimbursements.”

**Respondent #18** – “Insurance companies not paying the value for medications that is needed to make a profit.”

**Respondent #19** – “The BOP enforcing standards without codifying.”

**Respondent #20** – “Poor reimbursement for prescriptions from Pharmacy Benefit Managers(PBM's). Unfair audits by PBM's. Need rules to regulate the PBM's enforced by Board of Pharmacy or Insurance Commissioner.”

**Respondent #21** – “Honestly, the profession of pharmacy has significantly declined over the past few years and nothing is being done about it. The board is not a representation group for pharmacists but a group of people contributing to the downfall of the profession by continuing to allow unsafe process, adopting rules that only benefit corporate greed, and fueling the disrespect of consumers towards pharmacists.”

**Respondent #22** – “Insurance Reimbursement”

**Respondent #23** – “PBM (Pharmacy Benefit Managers) not even paying for medications, much less dispensing overhead.”

**Respondent #24** – “Unfair reimbursement from third parties”

**Respondent #25** – “Poor reimbursement from insurance companies that are forcing pharmacies to dispense drugs sold at losses. Sometimes hundreds of dollars below what it costs to purchase the medications from the wholesaler. let alone the time it takes to properly analyze a patient’s profile to make sure the medication does not kill them.”

**Respondent #26** – “Drug shortages; 503B regulations; access to care”

**Respondent #27** – “The increasing Pharmacist to tech ratio.”

**Respondent #28** – “The decrease in reimbursement from insurance companies is hurting everybody, especially independent pharmacies. It is probably the biggest issue in community pharmacy at the moment.”

**Respondent #29** – “The way PBM's have destroyed out industry. It is about to cost me my business and it should not be that way.”

**Respondent #30** – “Reimbursement”

**Respondent #31** – “Control substance drugs”

**2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public welfare?**

<b>Yes</b>	<b>28</b>	<b>90%</b>
No	3	10%

**3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

Yes	8	26%
<b>No</b>	<b>21</b>	<b>68%</b>
Unknown	2	6%

**4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?**

<b>Yes</b>	<b>22</b>	<b>71%</b>
No	7	23%
Unknown	2	6%

**5. Does the Board respond to your inquiries in a timely manner?**

<b>Yes</b>	<b>23</b>	<b>74%</b>
No	4	13%
Unknown	4	13%

**6. Has the Board performed your licensing and renewal in a timely manner?**

<b>Yes</b>	<b>30</b>	<b>97%</b>
No	1	3%

**7. Do you have any additional comments you would like to make?**

**Respondent #1** – “no”

**Respondent #2** – “no”

**Respondent #3** – “N/A”

**Respondent #4** – “N/A”

**Respondent #5** – “our board does a very good job”

**Respondent #6** – “none at this time”

**Respondent #7** – “None”

**Respondent #8** – “Would like to see more education from the board and less punitive action. Afraid to ask questions due to risk of a punitive measure instead of a opportunity to educate.”

**Respondent #9** – “Pharmacist are to care for their patients to do so we need to know all medications that a patient is taking. If they are pharmacy hopping that can’t be done. Patient safety is at risk. If pharmacy is getting under paid that forces them to close their doors or send patients elsewhere. ALBOP is to protect the public and they should be able to address this crisis.”

**Respondent #10** – “The ALBOP meets their mission in protecting the people of Alabama. The Board is not designed to protect the pharmacist or the pharmacy. They hold us to a higher standard when it comes to our patients and serving the public. This is in sharp contrast to Alabama Board of Medical Examiners / MASA/ ADPH who make sure the physician is protected at all costs and the patient is not first in their considerations. The last thing ALBOP needs to do is to be transitioned into another state organization under the umbrella of health. Look at other states and their Boards of Pharmacy. Alabama Board of Pharmacy is a leader in our nation and is highly respected in our profession.”

**Respondent #11** – “The board has always been helpful and receptive to feedback.”

**Respondent #12** – “No thank you”

**Respondent #13** – “Very difficult to get staff to clarify questions. Often no response to emails. ALBOP staff intimidates pharmacists, resulting in avoiding asking a question for fear of retaliation or penalties.”

**Respondent #14** – “No”

**Respondent #15** – “No”

**Respondent #16** – “no, board functions well”

**Respondent #17** – “Many pharmacies will close if reimbursements stay this low.”

**Respondent #18** – “n/a”

**Respondent #19** – “The BOP should strive to work with the profession to make sure everyone is aware of regulations and laws. It seems that sometimes it acts more as a police force than a professional board.”

**Respondent #20** – “Board Secretary and other employees could do a better job of responding to phone calls and emails. Only [REDACTED] [REDACTED] regularly responds to questions and concerns.”

**Respondent #21** – “It would be nice if the board of pharmacy would operate in a capacity to advocate for the pharmacy profession instead of contributing to the degradation of the profession by investigating the complaint of entitled customers verses the complaints of pharmacists who are voicing concerns about safe practices and customer threats. How many pharmacists has to continue to lose their lives, livelihoods, and mental health before the board finally realizes there is a problem and do something about it. It's ridiculous!!!! Why is our safety not as important as the customer? Most of us are now customers due to unhealthy practices in this profession. Where is our protection????”

**Respondent #22** – “No”

**Respondent #23** – “I would like to see the Board and staff working in conjunction with one another expressing differences of opinion, then moving forward without undermining-attempts representing unnecessary power-struggles.”

**Respondent #24** – “No additional comments now”

**Respondent #25** – “N/a”

**Respondent #26** – “The ABOP and ALBOP staff is composed of a team of people that work very hard to protect the citizens of Alabama. They are committed to the highest level of safe and compliant patient care. I am proud to be a practicing pharmacist in Alabama and very much respect this Board and staff.”

**Respondent #27** – “n/a”

**Respondent #28** – “None”

**Respondent #29** – “We have been treated unfairly by the Board Secretary in the past. During covid she treated a colleague and me horribly because we were using a drug that she did not agree with and it was perfectly legal. Very unprofessional. We helped a lot of people and it seemed as if she did not like that. She was very mean and it was unnecessary.”

**Respondent #30** – “No”

**Respondent #31** – “None”

## **Institutional Pharmacy Questionnaire**

A letter was sent to one hundred licensees requesting participation in our survey. Thirty-four participated in the survey. The percentages are based on the number who responded to the question.

### **1. What do you consider the most significant issue(s) currently facing your profession in Alabama?**

**Respondent #1** – “Availability of qualified pharmacy technicians A decreased interest in becoming a pharmacist - lower admission rates in schools of pharmacy Inappropriate workload in retail pharmacy settings”

**Respondent #2** – “Payment for pharmacy services, the availability of workforce, PBM abuse of current laws regarding audits and payment.”

**Respondent #3** – “Technician shortage”

**Respondent #4** – “Reimbursement rates for Independant Pharmacies, which are way below where they should be due to Pharmacy Benefit Managers, is a significant issue for the profession in Alabama, but for Institutional Pharmacy, it is ensuring that 340B pricing of medications is maintained and improved upon so that Hospitals in our state can be financially stable.”

**Respondent #5** – “PBMs”

**Respondent #6** – “insurance reimbursement”

**Respondent #7** – “The failure to be granted provider status in Alabama, which prevents pharmacists from billing for any of our services.”

**Respondent #8** – “Getting penalized by insurance companies for filling what a LTC pharmacy asked you to fill and therefore not getting paid the full amount due.”

**Respondent #9** – “Pharmacy technician salaries are too low to attract the quality of employee we need to work at the top of their license.”

**Respondent #10** – “Illegal medications, Marijuana becoming available with little or no control, drug shortages, staffing shortages (technicians)”

**Respondent #11** – “Pharmacy Benefit Managers”

**Respondent #12** – “Big box pharma purchasing all the PBM companies which is leading to mandatory mail-order and/or decreased profit for pharmacies.”

**Respondent #13** – “Limited distribution for specialty medications and mandatory mail order for specialty medications”

**Respondent #14** – “Retention of pharmacy staff, particularly technicians.”

**Respondent #15** – “Rising Drug Costs”

**Respondent #16** – “technician staffing”

**Respondent #17** – “Limited time and money”

**Respondent #18** – “diminishing reimbursement/federal support of not-for-profit hospital pharmacies”

**Respondent #19** – “Insurance payments”

**Respondent #20** – “Drug shortages, Staffing pharmacists in rural areas of the state, lack of provider status”

**Respondent #21** – “The abundance of pharmacy schools in the area has flooded the market. Our profession seems to have responded by offering more board certifications and certificates so that candidates "stand out", which requires more money from pharmacists on top of their degree to obtain and maintain these certifications.”

**Respondent #22** – “Drug shortages”

**Respondent #23** – “Aging population.”

**Respondent #24** – “salaries”

**Respondent #25** – “drug shortages, USP regulations, ability to hire and retain pharmacy technicians”

**Respondent #26** – “The ability of pharmacy practice sites to meet the regulatory requirements associated with USP 797 standards.”

**Respondent #27** – “Staffing. Having people interested in being career pharmacy technicians.”

**Respondent #28** – “Speaking strictly from an institutional standpoint: Lack of clinical autonomy. Drug shortages. Limitations on care by location/roofline. Tech ratio for non-dispensing job duties. Considerations of technology in the law that should remove or limit pharmacists from an activity.”

**Respondent #29** – “PBM reform”

**Respondent #30** – “A shortage of high-quality support staff such as pharmacy technicians. This support for pharmacists is vital, and as long as the inadequate pay offered to technicians persists then we will continue to struggle in getting reliable, skilled technicians.”

**Respondent #31** – “Overall, some practice settings focus more on production and not patient safety. Specifically for the hospital setting, I think the lack of understanding of hospital pharmacy is concerning.”

**Respondent #32** – “1: Decreased reimbursements from insurance companies which prevent hiring of adequate staff. 2: Increased workload with less staff due to both financial reasons. 3: Constant stress of overreaching boards that can implement fines for any reason.”

**Respondent #33** – “The Opioid Epidemic. Technician shortage. Medication shortages.”

**Respondent #34** – “Federal level overreach.”

**2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public’s welfare?**

<b>Yes</b>	<b>33</b>	<b>97%</b>
No	1	3%

**3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

Yes	12	35%
<b>No</b>	<b>20</b>	<b>59%</b>
Unknown	2	6%

**4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?**

<b>Yes</b>	<b>28</b>	<b>82%</b>
No	5	15%
Unknown	1	3%

**5. Does the Board respond to your inquiries in a timely manner?**

Yes	29	85%
No	2	6%
Unknown	3	9%

**6. Has the Board performed your licensing and renewal in a timely manner?**

Yes	34	100%
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**7. Do you have any additional comments you would like to make?**

**Respondent #1** – “none”

**Respondent #2** – “I think in the past there have been issues with the board protecting businesses. I do feel the last 3 years the board members are truly motivated by their primary charge of protecting the public. I also think that APA having control of 4 of 5 seats is very lopsided and this needs to be addressed. There are more Hospital (over 1/3) and Chain pharmacist (over 1/3) in the state than there is independent pharmacist. However, there is one appointed seat for chain and one for hospital pharmacist. There is one for the independent seat, but the two elected positions, with one exception, those elected seats are always independent pharmacist. I feel that at least one of these elected positions should be representative of hospital pharmacy. APA controls the names put on the ballot and it is an inappropriately stacked slate in the election.”

**Respondent #3** – “.”

**Respondent #4** – “N/A”

**Respondent #5** – “NO.”

**Respondent #6** – “I appreciate all the hard work they put in for our profession”

**Respondent #7** – “For the licensing and renewal, I would comment that some of our technicians have experienced delays as it gets closer to the end of the year, so much so that we require them to submit renewals to the Board no later than December 1st to ensure they are completed by December 31st.”

**Respondent #8** – “No”

**Respondent #9** – “None”

**Respondent #10** – “We have a very hard working and engaged board, we do need more institutional representation on the board as other states, including more than one position. The executive secretary and her team are outstanding in their work ethic and communication working with Board.”

**Respondent #11** – “Sometimes it feels to me like the Board is more interested in protecting Alabama pharmacists' jobs (not a bad thing) than actually protecting the public. When there is an apparent conflict between the two, patient safety should be the priority.”

**Respondent #12** – “No”

**Respondent #13** – “no”

**Respondent #14** – “No”

**Respondent #15** – “no”

**Respondent #16** – “none”

**Respondent #17** – “No”

**Respondent #18** – “none. I appreciate our board inspectors and the time they take when they are onsite. They always come across as a friend to the profession rather than an antagonist.”

**Respondent #19** – “i enjoy working with the board members on topics.”

**Respondent #20** – “N/A”

**Respondent #21** – “I greatly respect the job that the ALBOP does!”

**Respondent #22** – “I’ve always found ALBOP to be a friendly and helpful resource of information. They are there to help pharmacies take better care of our citizens in Alabama and I truly appreciate their service to the profession of pharmacy.”

**Respondent #23** – “No.”

**Respondent #24** – “None.”

**Respondent #25** – “We have a very cooperative and supportive board of pharmacy. They are committed to the safety and compliance of pharmacy to protect the citizens of Alabama.”

**Respondent #26** – “Review of Technician barriers to assist pharmacist in serving the public to meet health care demands.”

**Respondent #27** – “The Board is heavily geared toward retail pharmacy. Institutional pharmacy has different needs and is also regulated by The Joint Commission. Institutional also has roles for technicians such as Buyer or some places have Medication History for Medication Reconciliation and those positions do not need to count in the pharmacist to tech ratio because they are hands on meds positions.”

**Respondent #28** – “The Board does not have adequate institutional pharmacy representation. As a manager of a large hospital pharmacy, I have witnessed the growth of clinical services, the enhancement of technologies, and the breadth of operational activities outgrow Alabama pharmacy law. I have also seen the gap between hospital and retail pharmacy widen. I greatly appreciate the efforts that many of the current members and [REDACTED] [REDACTED] have exercised in the past few years to help institutional pharmacy progress, but I regularly see decisions either made with lack of understanding of the hospital setting or limited due to antiquated laws. It's time to separate hospital pharmacy regulations from retail, as we no longer fit in the same box and it's become increasingly difficult to mold language to fit for all settings. It takes more than one institutional Board member to make appropriate decisions and progress.”

**Respondent #29** – “There is a lack of representation of intuitional pharmacy on the board and rules are often designed for retail pharmacy do not take the unique work in intuitional pharmacies into account.”

**Respondent #30** – “It is difficult to get a timely response from ALBOP when we contact them inquiring about situations not covered in our pharmacy statute.”

**Respondent #31** – “I would like to see consistent hospital/institutional representation on the board.”

**Respondent #32** – “I would like to see more changes in the way we are able to utilize our certified technicians. The ability for them to do applications, that do not require medication knowledge, that are currently required of licensed pharmacist would be much appreciated to alleviate some stress.”

**Respondent #33** – “Some Rules and Regulations are an unnecessary restriction, but the board has already taken action to correct. They have also set up work groups to get our opinions as they rewrite some rule. These work groups have been great.”

**Respondent #34** – “No”



## **Non-Resident Pharmacy Questionnaire**

A letter was sent to one hundred and one licensees requesting participation in our survey. Twenty-eight participated in the survey. The percentages are based on the number who responded to the question.

### **1. What do you consider the most significant issue(s) currently facing your profession in Alabama?**

**Respondent #1** – “Excessive delays by individual actors towards private small businesses is respectively worthy of studying to prevent unfavorable treatment compared to corporate peers. Reviewers should be equipped with appropriate knowledge of business innovation to enable optimal healthcare delivery, without regulatory impediments. PBM predatory practices and middle actors are significantly dissolving the profession at a unprecedented rate. PBM/insurer affiliated pharmacies not only provide unfavorable reimbursement contracts, FWA audits and specialty restrictions but also cause disruption in care by spread pricing and other monopolistic tactics to drive out non affiliated competitors. The odds against the profession are worsed by the lack of BOP support and focus in the correct direction.”

**Respondent #2** – “lack of pbm oversight and transparency”

**Respondent #3** – “Drug pricing. High drug costs limit access and patient medication compliance.”

**Respondent #4** – “Any law changes that impact non-resident pharmacies”

**Respondent #5** – “PBM abuse (decrease in reimbursement, increase in predatory audits, and increase in preferred formulary that is based solely on the PBMs rebates)”

**Respondent #6** – “I think the BOP being too much involved in every decision the pharmacy makes is unnecessary. Yes, if a pharmacy is doing wrong, okay they need to make it right, but the ongoing investigations after that fact of taking those corrective actions is unnecessary. we all just want to practice our profession as best as possible. thank you.”

**Respondent #7** – “Insurance reimbursement”

**Respondent #8** – “PBMs”

**Respondent #9** – “Opioid crisis, understaffing of pharmacies, drug shortages”

**Respondent #10** – “low PBM reimbursement and inadequate staffing at community pharmacies”

**Respondent #11** – “As a non-resident pharmacy, one of the most significant issues facing your profession in Alabama could be ensuring compliance with state regulations and licensure requirements. Non-resident pharmacies must navigate the complex regulatory landscape to legally operate in Alabama and provide pharmaceutical services to residents. Additionally, maintaining compliance with state laws regarding prescription processing, patient counseling, and recordkeeping is crucial to avoid legal issues or penalties. Another important issue may be maintaining quality standards and ensuring the safe dispensing of medications to patients, despite not being physically present in the state.”

**Respondent #12** – “PBM reimbursements.”

**Respondent #13** – “electronic transfer of prescription between unaffiliated pharmacies”

**Respondent #14** – “reimbursement”

**Respondent #15** – “None”

**Respondent #16** – “Getting enough support staff continues to be the most difficult thing in pharmacy.”

**Respondent #17** – “unnecessary and at many times un based disciplines”

**Respondent #18** – “Insurance reimbursement, Lack of staff, Necessity to multitask while not making mistakes”

**Respondent #19** – “N/A”

**Respondent #20** – “I do not have any issues at this time.”

**Respondent #21** – “low reimbursement from prescription insurance”

**Respondent #22** – “drug diversion from patient to patient”

**Respondent #23** – “I can not speak to Alabama alone. However, being licensed in many states several issues facing our profession is the lack of unity and support we need to safely provide care to patients. Regulations are difficult at times and have many misinterpretations. Also, I have found some BOP are more approachable and helpful. As a pharmacist I call to get help, guidance and often the BOP seems more adversarial”

**Respondent #24** – “none”

**Respondent #25** – “Receiving reimbursement for pharmacist services and receiving appropriate reimbursement for medications/devices.”

**Respondent #26** – “Unknown”

**Respondent #27** – “NO COMMENTS AT THIS TIME”

**Respondent #28** – “While the Board has a legal and ethical responsibility to oversee the general welfare of the public and advance the practice of pharmacy and we believe that those aspects are revered among them, there are instances where the actions of the Board are excessively punitive and not corrective. That is, the role of the AL Board in the practice of pharmacy in other states should be evaluated on the merits of the provided medication and the standards of practice, not on procedural or administrative preferences that are not applied in other jurisdictions. The general tone of communications from the Board and Board staff is a sense of "gotcha" and not one of support or commonality.”

**2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public’s welfare?**

<b>Yes</b>	<b>25</b>	<b>89%</b>
No	3	11%

**3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

Yes	9	32%
<b>No</b>	<b>16</b>	<b>57%</b>
Unknown	3	11%

**4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?**

<b>Yes</b>	<b>24</b>	<b>86%</b>
No	3	11%
Unknown	1	3%

**5. Does the Board respond to your inquiries in a timely manner?**

<b>Yes</b>	<b>21</b>	<b>75%</b>
No	3	11%
Unknown	4	14%

**6. Has the Board performed your licensing and renewal in a timely manner?**

<b>Yes</b>	<b>26</b>	<b>93%</b>
No	2	7%

**7. Do you have any additional comments you would like to make?**

**Respondent #1** – “Protect private businesses.”

**Respondent #2** – “n/a”

**Respondent #3** – “no”

**Respondent #4** – “None :)”

**Respondent #5** – “no”

**Respondent #6** – “embrace change, it is inevitable.”

**Respondent #7** – “Not at this time”

**Respondent #8** – “Not at this time”

**Respondent #9** – “No”

**Respondent #10** – “The AL Board of Pharmacy has no business, or right, to try to enforce it's own restrictive pharmacist/tech ratios on non-resident pharmacies that are governed by the rules of their home state.”

**Respondent #11** – “NO”

**Respondent #12** – “None.”

**Respondent #13** – “Can you provide a timeline or expectation for the completion of a transferred prescription? Can you provide some ordinance that approves software that allows the electronic transfer of prescriptions between two unaffiliated pharmacies?”

**Respondent #14** – “under-reimbursed prescriptions will cause pharmacies to close and patients to look access to quality healthcare”

**Respondent #15** – “None”

**Respondent #16** – “I think some laws are outdated and are not reviewed and updated in a timely manner with the recent improvements with electronic prescribing and overall technological increases that have occurred.”

**Respondent #17** – “none at this time”

**Respondent #18** – “More regulations of pharmacies and insurances are needed to ensure pharmacists can clinically take care of their patients.”

**Respondent #19** – “N/A”

**Respondent #20** – “N/A”

**Respondent #21** – “no”

**Respondent #22** – “na”

**Respondent #23** – “I appreciate the willingness of the State of AL BOP to conduct this survey in hopes to better serve pharmacy and in turn promotes patient well being and safety”

**Respondent #24** – “none”

**Respondent #25** – “The licensing fee for prescriptions dispensed report is not being received by our pharmacy. We are not notified until we receive a delinquency notice. We used to receive a post card and we have not received any notification other than delinquency letters.”

**Respondent #26** – “No”

**Respondent #27** – “NO”

**Respondent #28** – “The answer to Q.5 is not indicative of the whole of the Board or the staff. [REDACTED] [REDACTED] is exceptionally helpful, knowledgeable, and efficient. When matters involve or originate from others, clarity and efficiency suffer.”

## **Precursor Questionnaire**

A letter was sent to eighty-one licensees requesting participation in our survey. Eleven participated in the survey. The percentages are based on the number who responded to the question.

### **1. What do you consider the most significant issue(s) currently facing your profession in Alabama?**

**Respondent #1** – “Obtaining timely renewal of Facility Licenses”

**Respondent #2** – “NA”

**Respondent #3** – “None”

**Respondent #4** – “Although, I do not work in Alabama, the environmental health and safety profession is always a challenge no matter where you live. With the changing regulations, it makes it more difficult to operate.”

**Respondent #5** – “We only ship products to AL from out of state as a licensed 3 PL provider. Any impact to product security and quality as related to shipment are significant issues.”

**Respondent #6** – “The most significant issue, which is not necessarily with Alabama, is waiting for the update on the DSCSA proposal for 3PLs.”

**Respondent #7** – “Whether state should regulate or FDA”

**Respondent #8** – “Maintaining awareness of regulatory changes but have found state and federal agencies reliable with timely notifications and follow up.”

**Respondent #9** – “licensure requirements”

**Respondent #10** – “Our biggest challenge while completing initial applications for Precursor, Prescription Drug Wholesaler, Oxygen, and 3PL is the individual history affidavits for each officer / director which need to be notarized. Due to our officers and directors living all over the US, it is challenging to coordinate notarized signatures. Alabama BOP should accept electronic signatures like many other states. Our biggest challenge for completing renewal applications for Precursor, Prescription Drug Wholesaler, Oxygen, and 3PL is the supplier license requirement. Alabama BOP should either update this requirement to a yes / no question or only ask for supplier names, since they manage the license database.”

**Respondent #11** – “Our biggest challenge while completing initial applications for Precursor, Prescription Drug Wholesaler, Oxygen, and 3PL is the individual history affidavits for each officer / director which need to be notarized. Due to our officers and directors living all over the US, it is challenging to coordinate notarized signatures. Alabama BOP should accept electronic signatures like many other states. Our biggest challenge for completing renewal applications for Precursor, Prescription Drug Wholesaler, Oxygen, and 3PL is the supplier license requirement. Alabama BOP should either update this requirement to a yes / no question or only ask for supplier names, since they manage the license database.”

### **2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public’s welfare?**

<b>Yes</b>	<b>10</b>	<b>91%</b>
No	1	9%

**3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

Yes	4	36%
<b>No</b>	<b>6</b>	<b>55%</b>
Unknown	1	9%

**4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?**

Yes	7	<b>64%</b>
No	2	18%
Unknown	2	18%

**5. Does the Board respond to your inquiries in a timely manner?**

Yes	8	<b>73%</b>
Unknown	3	27%

**6. Has the Board performed your licensing and renewal in a timely manner?**

Yes	11	<b>100%</b>
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**7. Do you have any additional comments you would like to make?**

**Respondent #1** – “Any new Rules and Regulations implemented by the AL BOP should be published immediately in the AL BOP Newsletter and issued monthly.”

**Respondent #2** – “NA”

**Respondent #3** – “NA”

**Respondent #4** – “I do not have any additional comments.”

**Respondent #5** – “NA”

**Respondent #6** – “n/a”

**Respondent #7** – “No”

**Respondent #8** – “No other”

**Respondent #9** – “none”

**Respondent #10** – “We appreciate [REDACTED]’s quick responses.”

**Respondent #11** – “We appreciate [REDACTED]’s quick responses.”

## **Distributor/Manufacturer/Repackager/Wholesaler/Third Party Logistic Questionnaire**

A letter was sent to one hundred and one licensees requesting participation in our survey. Seventeen participated in the survey. The percentages are based on the number who responded to the question.

### **1. What do you consider the most significant issue(s) currently facing your profession in Alabama?**

**Respondent #1** – “Administrative fines and the Board of Pharmacy's litigious nature.”

**Respondent #2** – “Logistics and security.”

**Respondent #3** – “Currently dealing with Serialization”

**Respondent #4** – “None”

**Respondent #5** – “For my profession, the associated costs of implementing an application and additional background checks.”

**Respondent #6** – “Drug shortages”

**Respondent #7** – “Pharmacies being hurt by claw backs from the PBM's”

**Respondent #8** – “Decline answer.”

**Respondent #9** – “We have none at this time.”

**Respondent #10** – “N/A”

**Respondent #11** – “N/A”

**Respondent #12** – “Staying in compliance with changing regulations.”

**Respondent #13** – “I don't foresee any significant issues.”

**Respondent #14** – “N/A”

**Respondent #15** – “We do not conduct business in the state of Alabama.”

**Respondent #16** – “Alabama is the only state that requires a "Alabama" license number for every entity in the supply chain even if the supplier/vendor/manufacture is not located in and not shipping into Alabama. This is incredibly difficult for us to explain to our vendors/suppliers. We can't get a clear answer from the Board if we need to report the AL license number from the entity that we purchased the drugs from or the entity (3PL) that actually shipped the drugs to us or the manufacturer that made the drugs. We keep getting the answer of "we ultimately need the manufacturer". Do we report the entities in between also? Essentially a pedigree paper?”

**Respondent #17** – “The Alabama Board of Pharmacy is over-reaching in entities they are regulating. Requiring packagers and contract manufacturers who don't even ship product into the state to be licensed is a logistical nightmare for companies to police. Additionally, the board is difficult to work with and levies fines unreasonably.”

### **2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public's welfare?**

<b>Yes</b>	<b>16</b>	<b>94%</b>
No	1	6%

**3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

Yes	5	29%
<b>No</b>	<b>9</b>	<b>53%</b>
Unknown	3	18%

**4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?**

Yes	<b>8</b>	<b>47%</b>
No	5	29%
Unknown	4	24%

**5. Does the Board respond to your inquiries in a timely manner?**

Yes	<b>13</b>	<b>76%</b>
No	2	12%
Unknown	2	12%

**6. Has the Board performed your licensing and renewal in a timely manner?**

Yes	<b>16</b>	<b>94%</b>
No	1	6%

**7. Do you have any additional comments you would like to make?**

**Respondent #1** – “No”

**Respondent #2** – “Require all legend medication go thru licensed Reverse Distributor registered with ABOP and require incineration for proper disposal. Thanks [REDACTED] [REDACTED]”

**Respondent #3** – “Some of these responses are not a simple yes or no answer.”

**Respondent #4** – “no”

**Respondent #5** – “Not at this time.”

**Respondent #6** – “No”

**Respondent #7** – “no”

**Respondent #8** – “No, thank you.”

**Respondent #9** – “None at this time.”

**Respondent #10** – “N/A”

**Respondent #11** – “N/A”

**Respondent #12** – “N/A”

**Respondent #13** – “no, thank you”

**Respondent #14** – “N/A”



**Respondent #15** – “No comment at this time.”

**Respondent #16** – “If you submit an wholesale or private label application that has 100% of the information asked for it still gets returned for information that's not asked for on the applications. It's incredibly difficult to get applications submitted in the 60 day signature window when officers of the company live across the country and an application is returned because they won't be approved in the 60 day window for reasons that aren't indicated on the application. Why do applications require so many forms to get notarized? Applications, Business history of the applicant, Business History of the owner, Individual History Affidavits for each officer and the designated rep. They are making it difficult to do business in Alabama.”

**Respondent #17** – “Some regulatory agencies are great to work with, but it's always an uphill battle dealing with the AL BOP.”

## **Oxygen Retailer Questionnaire**

A letter was sent to one hundred licensees requesting participation in our survey. Twenty-one participated in the survey. The percentages are based on the number who responded to the question.

### **1. What do you consider the most significant issue(s) currently facing your profession in Alabama?**

**Respondent #1** – “Document integrity.”

**Respondent #2** – “Low reimbursement of oxygen / high cost of gaseous oxygen contents / high cost of making delivery of oxygen profitably due to gasoline cost”

**Respondent #3** – “The store says dealing with AL Medicaid is difficult.”

**Respondent #4** – “Being able to get proper documentation from health providers for insurance billing of equipment”

**Respondent #5** – “Staffing”

**Respondent #6** – “REIMBURSEMENT”

**Respondent #7** – “Staffing”

**Respondent #8** – “Labor”

**Respondent #9** – “Fee schedules”

**Respondent #10** – “fee schedules”

**Respondent #11** – “Fee schedules”

**Respondent #12** – “In our profession it is when we move a location. When we move a location, I understand that the BOP would like to have a 30 day notice; however, sometimes we are down to the wire, due to a multitude of things going on. While we give notice in most cases within 30 days, there are times, that the notice less than 30 days. We know the policy and a fine is okay, but I really don't think that should lead to a possible revocation for an honest mistake.”

**Respondent #13** – “Medicare's reimbursement for portable oxygen is not sufficient to provide lightweight systems for our elderly. They are saddled with heavy tanks that require change out. The weight and need to closely monitor for change out is preventing them from enjoying any real quality of life.”

**Respondent #14** – “Medicare advantage reimbursement”

**Respondent #15** – “■■■■■■ ■■■■■■ ■■■■ ■■■■■■ ■■■■■■”

**Respondent #16** – “Insurance does not pay enough to reimburse us for our services”

**Respondent #17** – “Reimbursement from insurance companies.”

**Respondent #18** – “The reimbursement of insurance companies for home medical equipment and pharmacy drugs.....also the insurance companies that will NOT allow us to participate with them and be able to bill the patients insurance for the product. The insurance companies are forcing patients to go mail order. Well mail order does not provide after hour services to the patient. We can come fill a rx after hours if the patient needs their prescription filled but the patient will have to pay out of pocket because the insurance company will NOT reimburse us. This is a huge problem. We are in a rural area and if the patient has an issue with an oxygen concentrator that they got in the mail - we can not service it because we can NOT get paid. The insurance company tells the patient to go to the ER which costs alot more than if we could service the patient after hours.”

**Respondent #19** – “Rising cost of deliveries in rural areas as opposed to the reimbursement we are receiving.”

**Respondent #20** – “Managed care insurance companies taking over the world”

**Respondent #21** – “over regulation - we have to be registered with the FDA, then the alabama pharmacy board, state of al home medical equipment licenses, state and local licenses, and accreditation through an acceptable accreditation team”

**2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public’s welfare?**

<b>Yes</b>	<b>11</b>	<b>52%</b>
No	10	48%

**3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

Yes	6	29%
<b>No</b>	<b>12</b>	<b>57%</b>
Unknown	3	14%

**4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?**

<b>Yes</b>	<b>11</b>	<b>52%</b>
No	3	14%
Unknown	7	33%

**5. Does the Board respond to your inquiries in a timely manner?**

<b>Yes</b>	<b>14</b>	<b>67%</b>
No	2	10%
Unknown	5	24%

**6. Has the Board performed your licensing and renewal in a timely manner?**

<b>Yes</b>	<b>20</b>	<b>95%</b>
No	1	5%

**7. Do you have any additional comments you would like to make?**

**Respondent #1** – “Not at this time.”

**Respondent #2** – “No”

**Respondent #3** – “We are a DME provider and only provide Oxygen for pharmacy related services, so some of the pharmacy regulations may not be applicable to us.”

**Respondent #4** – “It would of great benefit if there were an email system of updating members of law changes and general information that we need to have to be in compliance with the Pharmacy Board. Reminders are always good.”

**Respondent #5** – “None”

**Respondent #6** – “NONE”

**Respondent #7** – “I am a skilled nursing facility. I don't know why i was sent this survey.”

**Respondent #8** – “none”

**Respondent #9** – “Inspectors do a great job and educate when issues are noted.”

**Respondent #10** – “no issues”

**Respondent #11** – “na”

**Respondent #12** – “We understand that oxygen is can combust and should be monitored to ensure that we are following rules for the safety of all involved. We are inspected by the fire department, accreditation, Board of HME and Board of Pharmacy. Sometimes it seems like over kill.”

**Respondent #13** – “I trained the Board of Pharmacy in MS to test O2 Concentrators to prevent dealers from providing a unit that didn't actually provide oxygen. We had a dealer here cutting the only alarm wire. Without regulation who would we rely on to insure our competitors stayed within expected norms? Who would we report negative incidents to?”

**Respondent #14** – “Usually helpful and timely”

**Respondent #15** – “Ref question 3: Your only contact with me is to buy a license Ref question 5: never had contact Ref question 6: Their hand is out early for the license fee Go away- you do nothing for me!”

**Respondent #16** – “no”

**Respondent #17** – “no”

**Respondent #18** – “Who is going to monitor pharmacies if we don't have a pharmacy board? It would be absurd to think that the insurance companies would monitor the pharmacies.”

**Respondent #19** – “no thank you”

**Respondent #20** – “No, in my industry, we do very little with actual oxygen tanks. I do not think we need regulation from the pharmacy board when we have the HME Board, Medicare and our accreditation agency”

**Respondent #21** – “we do not receive any correspondence from the alabama state board of new regulations and only find out when we are in violation of the change”

## **Manufacturer/Wholesaler of Oxygen Questionnaire**

A letter was sent to one hundred licensees requesting participation in our survey. Nineteen participated in the survey. The percentages are based on the number who responded to the question.

### **1. What do you consider the most significant issue(s) currently facing your profession in Alabama?**

**Respondent #1** – “N/A”

**Respondent #2** – “Medicare Advantage Plans”

**Respondent #3** – “No significant issues.”

**Respondent #4** – “Policy change and update without current communication on requirements”

**Respondent #5** – “Making any profit due to paying qualified employee to pump and fill paper work properly, fees for service for training, yearly fees for the board, designator backgrounds, pest control for a pumping station, and etc.”

**Respondent #6** – “No issues regarding regulations in my profession.”

**Respondent #7** – “That outside people do not consider the hazards as much as we do in the profession.”

**Respondent #8** – “No issues yet”

**Respondent #9** – “Inflation”

**Respondent #10** – “Regulations”

**Respondent #11** – “Inflation, rising prices.”

**Respondent #12** – “Right now would be HMOs. They will not let us in network. We have lost patients and are new O2 set”

**Respondent #13** – “Having a supplier with enough oxygen and oxygen tanks for our customers”

**Respondent #14** – “Economy, inflation, costs”

**Respondent #15** – “Do not have any.”

**Respondent #16** – “Transportation”

**Respondent #17** – “Qualified/trainable employee market.”

**Respondent #18** – “The licensing process is difficult and painful compared to other states, when you are only providing medical gases and are not a traditional drug manufacturer/distributor. Most states have a simplified process for medical gases and many do not require DR. AL is more stringent, requires a DR, has a 10 day notification process for changes, and now has made the process more painful by enquiring DRs to have their own license, get a background check and be linked to the facility.”

**Respondent #19** – “Our biggest challenge while completing initial applications for Precursor, Prescription Drug Wholesaler, Oxygen, and 3PL is the individual history affidavits for each officer / director which need to be notarized. Due to our officers and directors living all over the US, it is challenging to coordinate notarized signatures. Alabama BOP should accept electronic signatures like many other states. Our biggest challenge for completing renewal applications for Precursor, Prescription Drug Wholesaler, Oxygen, and 3PL is the supplier license requirement. Alabama BOP should either update this requirement to a yes / no question or only ask for supplier names, since they manage the license database.”

**2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public's welfare?**

<b>Yes</b>	<b>16</b>	<b>84%</b>
No	3	16%

**3. Do you think any of the Board's laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

Yes	5	26%
<b>No</b>	<b>10</b>	<b>53%</b>
Unknown	4	21%

**4. Are you adequately informed by the Board of changes to and interpretations of the Board's positions, policies, rules, and laws?**

<b>Yes</b>	<b>14</b>	<b>74%</b>
No	2	11%
Unknown	3	16%

**5. Does the Board respond to your inquiries in a timely manner?**

Yes	8	42%
No	2	11%
<b>Unknown</b>	<b>9</b>	<b>47%</b>

**6. Has the Board performed your licensing and renewal in a timely manner?**

<b>Yes</b>	<b>18</b>	<b>95%</b>
No	1	5%

**7. Do you have any additional comments you would like to make?**

**Respondent #1** – “I can't think of any”

**Respondent #2** – “At times communication has been slow but we do receive necessary communications.”

**Respondent #3** – “The only thing that comes to mind is when we open a new location it would be nice if some of the registration could be duplicated instead of starting from scratch. We have 7-8 locations in Alabama and any time we open a new location we have to treat as separate. It would be nice to be able to lump them together. Every year I register I have to enter all the same info in about ownership and everything multiple times.”

**Respondent #4** – “Please make recent audits accessible to businesses online for record updating, if possible.”

**Respondent #5** – “..”

**Respondent #6** – “No”

**Respondent #7** – “N/A”

**Respondent #8** – “None”

**Respondent #9** – “no”

**Respondent #10** – “No”

**Respondent #11** – “Not at this time”

**Respondent #12** – “None”

**Respondent #13** – “no they keep a check on us”

**Respondent #14** – “None”

**Respondent #15** – “No”

**Respondent #16** – “Please make it easier to obtain receipts for online renewal transactions.”

**Respondent #17** – “I do not, the experiences that I have had have been pleasant and informative.”

**Respondent #18** – “Medical gases are low risk and we do not get regular inspections from the FDA or other state agencies as frequently as other drug manufacturers. Most states have a simplified license process for medical gases. AL is one of the states that makes the process difficult.”

**Respondent #19** – “We appreciate [REDACTED] [REDACTED]'s quick responses.”

## **503-B Facility Questionnaire**

A letter was sent to twenty-four licensees requesting participation in our survey. Five participated in the survey. The percentages are based on the number who responded to the question.

### **1. What do you consider the most significant issue(s) currently facing your profession in Alabama?**

**Respondent #1** – “N/A Currently not working as a pharmacist in the state of Alabama.”

**Respondent #2** – “i serve as a pharmacist out of state. I do not see any issues.”

**Respondent #3** – “We are a non-resident outsourcing facility. I am not sure if this question is pointed more towards in-state facilities. We do appreciate the Board creating a new license category for us”

**Respondent #4** – “Whether state should regulate or FDA”

**Respondent #5** – “N/A”

### **2. Do you think regulation of your profession by the Alabama State Board of Pharmacy is necessary to protect the public’s welfare?**

<b>Yes</b>	<b>4</b>	<b>80%</b>
<b>No</b>	<b>1</b>	<b>20%</b>

### **3. Do you think any of the Board’s laws, rules, or policies are an unnecessary restriction on the practice of your profession?**

<b>Yes</b>	<b>1</b>	<b>20%</b>
<b>No</b>	<b>2</b>	<b>40%</b>
<b>Unknown</b>	<b>2</b>	<b>40%</b>

### **4. Are you adequately informed by the Board of changes to and interpretations of the Board’s positions, policies, rules, and laws?**

<b>Yes</b>	<b>4</b>	<b>80%</b>
<b>Unknown</b>	<b>1</b>	<b>20%</b>

### **5. Does the Board respond to your inquiries in a timely manner?**

<b>Yes</b>	<b>3</b>	<b>60%</b>
<b>Unknown</b>	<b>2</b>	<b>40%</b>



**6. Has the Board performed your licensing and renewal in a timely manner?**

Yes	5	100%
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**7. Do you have any additional comments you would like to make?**

**Respondent #1** – “The Alabama Board of Pharmacy lawyers should not be dictating the direction, guidance, and restrictions associated with the practice of pharmacy governing the State of Alabama. This should be the responsibility of the pharmacist's who rotate on and off the board.”

**Respondent #2** – “As an out of state pharmacist all my relationship with the board have been positive.”

**Respondent #3** – “I have heard the Board has a reputation of finding reasons to discipline a licensee to collect revenue. This has negative connotations. I am not commenting on the validity of this, just making the comment.”

**Respondent #4** – “No”

**Respondent #5** – “N/A”

## Complainant Questionnaire

A letter was sent to one hundred and one complainants requesting participation in our survey. Nine participated in the survey. The percentages are based on the number who responded to the question.

### 1. Was the receipt of your complaint acknowledged by the Board?

Yes	7	78%
No	1	11%
Unknown	1	11%

### 2. Approximately how long after filing your complaint did the Board contact you?

Within 15 days	6	67%
Within 30 days	1	11%
More than 60 days	1	11%
Unknown	1	11%

### 3. Did the Board communicate the results of its investigation into your complaint to you?

Yes	5	56%
No	4	44%

### 4. Do you think the Board did everything it could to resolve your complaint?

Yes	5	56%
No	2	22%
Unknown	2	22%

### 5. Do you have any additional comments you would like to make?

**Respondent #1** – “Very good handling. I fear miscounts of pharmaceuticals could be harmful.”

**Respondent #2** – “no”

**Respondent #3** – “Initially the Board said it would take awhile to get back to me. I understand, I am patient. It's been a year, no response. Yesterday I received a letter from Rachel Laurie Riddle, Chief Examiner with this survey saying my complaint was resolved. I would like to KNOW what the results of my complaint entailed. After all, for three years [REDACTED] [REDACTED] Hwy 157, Cullman ignored every single doctor's order on no substitution on my thyroid medicine. Causing my blood levels to fluctuate and requiring a two hour round trip every three months for blood draw. Pain, cost of gas, cost of unused medication because the dosage changed every three months, my time for Physician visits and explaining to 3 to 4 staff members about "NO substitution." No, I am not happy. [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]”

**Respondent #4** – “I am satisfied with the Board's handling of my complaint.”

**Respondent #5** – “The investigator was very professional and informative and kept me well informed”

**Respondent #6** – “I would like to know the outcome was”

**Respondent #7** – “I was surprised by the result of their investigation. A pharmacy who gives away "extra" of a controlled substance since they had already opened the bottle should, in my opinion, receive more than just a warning.”

**Respondent #8** – “I never received notice of an outcome or resolution and did not know it had been resolved until receiving this survey request.”

**Respondent #9** – “I want to clarify my answers above. The board never acknowledged my complaint (filed around September 1, 2022) other than maybe an automated email and it wasn't until I received a letter on April 13, 2023, that I had any communication from the board. I did hear from the AG's office almost immediately after sending the complaint to them and I want to be clear on that. The board sent me a letter that I have provided indicating that “there was no evidence of wrongdoing found.” This statement is absolutely false. The AG's office provided me with the actions taken in March 2023 but I was not made aware of any other information and I understand and appreciate that and am eternally grateful for their work and that they stepped in and did the right thing so quickly. I have no doubt that the board did nothing to resolve my complaint - there was no chance that this board was going to take the necessary actions to end the wrongdoing and hold the executive secretary and others accountable. The attorney general has limited power as it relates to these matters but the board could have conducted their own investigation but they would never do that because they clearly support the wrongdoing and corruption because they are directly benefiting from it. Board members just go along with their head in the sand rather than making the tough decisions to clean up the corruption. The legislature created the board and gave the board members the power they have. The board could have conducted a separate and independent investigation and voted to terminate the executive secretary, investigators involved, attorneys involved and the hearing officer but this board clearly isn't going to properly monitor and police itself and now we know why - board members are making \$60,000+ per year in board member salaries and perks and are also making around \$9,000 per year in per diem amounts and almost \$140,000 was spent in 2022 alone just on in-state travel. The frivolous charges that this board brings in the name of “public safety” have nothing at all to do with the safety of the public in Alabama. It has to do with collecting more money in fines to enrich themselves and add mahogany walls to the building the board purchased for more than \$2,000,000.00. I tried to do everything possible to avoid any of this becoming as serious and as big as it has. But no one at the board listens or cares. In the case that got the board attorney removed, I went and saw the board attorney two times to try and get him to correct the issues. And every time, he would recognize the issues and the need for correction but then he would call the executive secretary and she would tell him what to do and he would do it. For this board to not have conducted its own investigation and exercised its power to remove wrongdoers just shows how deep the corruption goes and how there is absolutely no leadership on this board in order to make tough decisions. In another case prior to his removal, the board attorney, executive secretary and the hearing officer were abusing a client of mine (during a scheduled hearing) who was a recent graduate of pharmacy school and was just trying to get licensed. They had already made him wait from May until August for a hearing date and just because they could, were trying to continue the case during the actual hearing - all for show and all just to show who was in charge and who had the power. This is what the Alabama board of pharmacy is known for across the country. This is why pharmacists in Alabama are terrified of the board because the actions they take are only to intimidate licensees and collect money. And the hearing officer joined right in and continued the case over my objection. In that board hearing room, I was incensed and I begged the board members to step in and help protect their colleague. But all 5 of them didn't do a thing - they just sat there with blank

stares on their faces and allowed their colleague to be ridiculed and abused and mistreated by the executive secretary and the attorney and the hearing officer. And then what happened - the board investigators came to the front of the room and surrounded me like I had done something wrong and escorted me out of the room. This is the real board of pharmacy that those of us that deal with them know all too well and have to deal with. This shouldn't be permitted in the United States of America and it must stop today. And you know what - the next day in executive session the board members had the board attorney reach out to me to settle the case. The board members finally half-way did the right thing but they have no leadership skills, no courage and they are manipulated and controlled by the attorneys, hearing officer and executive secretary. The board members are not the ones in charge - that is clear - the board members do whatever they are told and collect their salary and get their travel paid for and move on. This must stop. In addition, once the matter above was over, I clarified my ethical obligations as to being able to reach out directly to board members to discuss the major problems in the board office so that they would be aware and could take action. I emailed two board of pharmacy members asking them to meet with me and hear me out and neither one of them responded. I told them I would come to them, meet them wherever and whenever and they didn't have to say one word if they didn't want to and could just listen to what I had to say. No response whatsoever. Think about this for a moment - these are public officials who took an oath. A citizen with information reaches out just to be heard and provide information and they have no more respect for their oath, their obligations or the public than to at least sit and listen. That blew my mind because had they listened and had they wanted to hear the truth and learn and make changes then much of these problems that the board has brought upon themselves could have been avoided. But because of the decades of corruption, the current and past ingrained culture and the current people in power nothing will change unfortunately until oversight steps in and requires it. This is the reason that major, sweeping and immediate changes and reform are required at the Alabama state board of pharmacy. The board members and the people in the board office have proven that nothing is going to change unless everyone at the board is placed on leave, investigated, removed and things are reset and started over. Complaint and Actions Taken: I filed a complaint against the executive secretary of the board of pharmacy for very serious misconduct that she was directly involved in. Specifically, I accused the executive secretary and several other board officials of intentionally misattributing charges to my client to avoid charging the proper parties to protect the pecuniary interests of the board attorney. All of this is part of an overall process to hide information from board members and manipulate outcomes on disciplinary matters. Even after the proper parties weren't charged and my client's license was wrongfully revoked, the executive secretary and others took specific, intentional and calculated actions to violate my client's right to due process. The executive secretary was served with a motion to disqualify the board attorney and my affidavit outlining the same and did nothing. The executive secretary pressured and urged the board attorneys to file charges against pharmacist witnesses 4 days before a rehearing for conduct that occurred two years prior in order to prevent their testimony. They did and she signed the charges that were served 4 days prior to the scheduled rehearing. Subsequently, I expanded my complaint to include two board attorneys, the hearing officer, and investigators by filing with the Attorney General's Office. Among other very serious allegations, my complaint detailed their involvement in the wrongful revocation of my client's pharmacy license and an orchestrated effort to prevent two key pharmacist witnesses from testifying at a rehearing by levying charges against them days prior to the rehearing. Prompt action by the Attorney General, within five or six days of my complaint, resulted in the reversal of all charges against my client and the pharmacist witnesses. Furthermore, an investigation was launched into misconduct at the board of pharmacy.

Ultimately, the board attorney was removed by the AG's office and his deputy attorney general designation was revoked due to misconduct. Unfortunately, because the board members have endorsed the corruption and are complicit, many of the wrongdoers remain in place and continue to harm the public, licensees of the board and continue to bring frivolous, technical violations against licensees only to increase revenue of the board in order to distribute the same to the board members, executive secretary, staff, investigators, building improvements, vehicles and the travel slush fund. The board of pharmacy members, executives and staff never informed the public or licensees about what was going on regarding the investigation and in fact, the board president issued a misleading statement to the media in May 2023 filled with half-truths. This board just doesn't have the culture for truthfulness and transparency. Corruption Allegations: I have uncovered, discovered, witnessed and reported corruption within the board that involves extracting funds from licensees to financially benefit board members, attorneys, hearing officers, executive secretary and staff. The board has also actively opposed transparency measures mandated by the Governor's executive orders in 2023, and has failed to respond appropriately to public records requests. The board simply refuses to provide information that it views as potentially harmful or negative to the board even though the Open Records Law requires disclosure. Recommendations for Immediate Reforms at the Alabama State Board of Pharmacy: I strongly advocate for several immediate reforms to address these deep-seated issues: ● End the current board and reconstitute the board in the next legislative session with new legislation. This culture of corruption at this board has gone on for decades and is so engrained and deep-seated that it cannot be corrected by those in power currently. ● Terminate all board members and all staff and rehire properly and build from the ground up. This culture of corruption has gone on for too long for this board office to be changed from within. ● Mandatory annual financial, operational, legal compliance and sunset audits of the board for at least the next 50 years. ● Prohibition against the board hiring private counsel. One of the ways corruption has gone on for years is due to the private board counsel. There are no requirements or standards that must be met and no oversight. Current board counsel was involved in the prior wrongdoing and charging of witnesses and current board counsel is incompetent, inexperienced yet somehow has a contract for \$550,000.00 due to her apparent personal connection to the board members or executive secretary. ● Require the board to discuss, approve and then send for oversight approval all expenditures, contracts, salaries, etc. in public meetings with a discussion of the candidates interviewed, considered, salaries, duties etc. ● Prohibition of the board spending one penny without prior approval of the Comptroller, State Treasurer, Finance Director and a committee made up of pharmacists, attorneys and legislative members. ● Prohibition of the board hiring its own biased hearing officer and a requirement to use randomly selected hearing officers (assigned in similar ways as when lawsuits are filed and Judges are assigned) or retired Judges that the parties agree on and have no connections to any lawyers involved, parties or Board members. ● Change the review process for this board so that appeals to circuit court can be handled *de novo* and the Circuit Court Judge is able to hear evidence, witnesses and apply the law and issue a ruling. This is the only way the Constitutional Rights of licensees of this board will be protected. ● Establishment of a Senate confirmation process for the Executive Secretary, board attorneys, board members and other key board officials. ● Expansion of the board to include more pharmacist members (at least 3 more from other specific practice areas - total of 8), at least 1 pharmacy technician member and at least 2 public representatives to safeguard against violations of constitutional rights. ● Remove any outside organizations from any involvement whatsoever in the selection process of board members (Alabama pharmacy Association, Hospital Pharmacists Association, etc.) that ultimately end up being voted on by the pharmacists or appointed by the

Governor. This is a corrupt process and enables the current board members to be involved in who gets selected to be on the ballot or on the list. Executives from APA ask current board members “who they feel like they can work with.” This process has allowed the corruption to take hold and perpetuate and get worse at the board of pharmacy for decades. The Alabama pharmacy Association MUST be removed from any involvement with the board of pharmacy in order to end the corruption. ● Reversing amendments to legislation that was passed in 2022 § 34-23-34 and § 34-23-90. This legislation was misrepresented in public board meeting minutes by the executive secretary as just changing how charges are served when in fact it codified the ridiculous policy of the executive secretary that “everyone gets a statement of charges.” Also, this legislation gave control over the voting process to the board with no oversight whatsoever. This last election in 2023 had horrible turnout of pharmacists who voted because the board now controls it and pharmacists are concerned they will be retaliated against based on who they voted for. ● Total overhaul of board processes and procedures so that the board operates in a way that safeguards the constitutional rights of licensees that are charged and appear before the board. ● Required documented legal and personal conflict checks on each case that is brought that are discoverable and available to licensees upon request. ● Prohibition of anyone other than a committee of uninterested persons and a board member or 2 deciding whether to bring charges against a pharmacist or entity. ● Total revamp of the current BOP Wellness Program for pharmacists and others suspected of a substance use disorder. The current program is not run according to statute and is not a confidential process as required and as stated on the board website and in the board’s advertising materials. Executive secretary, investigators and such are all aware of the identity of participants and they use this process as a way to lure in people to remove them from the profession ● Prohibit the board from advertising the BOP Wellness Program. The board is advertising falsely to lure people in and remove them from the profession. ● Complete board investigative files including all reports are to be made available to licensees who are charged. ● Substantive motions are to be decided by board members and all motions are to be set for a hearing before the board and an opportunity for witnesses to be called and heard from. ● Prohibition against ex parte meetings between the board attorney to discuss cases that the board will hear concerning a licensee. ● Prohibition of this board abusing the “executive session” process. This board does not understand that the default method is for the board to discuss items in the public portion of the meeting with discussion in public. Because this board is corrupt and self-dealing, very little of what the board does and debates is in public because they desire to hide the information from licensees and the public. ● Mandatory competency test to be administered to board members, attorneys, hearing officers, executives and staff to ensure a minimal understanding of basic principles regarding administrative procedures and the laws and rules governing the pharmacy profession. ● The attorney that advises the board on general matters should not be the same attorney that prosecutes licensees. Constitutional boards do not operate in this manner. ● board meetings should be recorded and uploaded to the website for viewing later by licensees and the public. ● board meeting minutes should be typed in full and the transcript uploaded. No one can tell anything about what occurred at the meeting. ● The board must be required to upload full and complete copies of all final orders or consent order and statements of charges and all exhibits. The board stopped this process in 2021 or 2022 in order to hide information from public view. ● The board should be required to hire an independent outside 3rd party to ensure compliance with the open meetings act. This will end much of the corruption and hiding of information and from the public that this board has been doing for decades. ● The board should be prohibited from meeting for dinner and drinks on Monday nights and Tuesday nights

of the week of board hearings and meetings. Much of what this board does and decides is pre decided and is in violation of open meetings laws. ● board members should be prohibited from being present at Alabama pharmacy Association conferences and given an opportunity to speak and spread misinformation and propaganda. ● Fines must be capped at \$1,000 per statement of charges. This board stacks violations in order to try and collect as much money as possible to pay to board members, staff, attorneys, vehicles, travel, etc. Stacking charges means that if a licensee fails to renew then instead of that being one violation the board tries to charge each day as a separate violation to collect \$1,000 to \$4,000 for “each day you worked without a valid and current license.” The board also charges ● All rules and statutes that have been changed to allow the board to collect higher fees for out of state pharmacists and entities must be repealed and amended as this is a way to discourage competition of the board member-owned entities or employers and is unconstitutional in violation of the interstate commerce clause and FTC laws, rules and regulations. ● End the corrupt board process of secret deferral agreements that hide board revenue from the public and hide violations from public view. ● Prohibit this board from bringing charges related to federal laws that are being dealt with by other agencies. This board searches google and databanks etc in order to find violations and then checks to see if they are licensed in Alabama and then brings charges against them - sometimes as much as 3 years later. This has nothing to do with public safety or protection of the public and is only decided to collect money from licensees to be distributed to board members, staff, executives, attorneys, hearing officer and investigators. ● Prohibit this board from bringing charges against entities or pharmacists based on charges from out of state - known as reciprocal discipline. This board abuses this process in order to collect money in fines and administrative costs in order to enrich themselves. ● Prohibit board members from collecting a salary as noted in financial documents of the board. This board is essentially set up in a way that is “policing for profit” to benefit board members, staff, attorneys, hearing officer and investigators. Law must be changed to disallow the board from increasing the amounts paid to board members. ● Board members prohibited from delegating their power to board staff that are not board members. ● Requirement that this board’s public records request process be administered by another government agency as this board fails to respond appropriately and refuses to provide required information. ● Requirement for all board funds (every penny - this board should not have access to any state funds whatsoever) to be immediately transferred to the state treasury for oversight. Call to Action for Legislative Oversight: I urge the legislature’s sunset committee to recognize these serious problems and initiate the necessary reforms immediately. The current state of affairs within the board of pharmacy is unsustainable and requires immediate and decisive actions to restore its integrity and ensure it operates within the bounds of the law, the United States Constitution and ethical governance.”

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# **APPENDICES**

## **Appendix I: Applicable Statutes**

### **Chapter 23 Pharmacists and Pharmacies.**

#### **Article I General Provisions**

##### **Section 34-23-1 Definitions.**

For the purpose of this chapter, the following words and phrases shall have the following meanings:

- (1) ASSOCIATION. The Alabama Pharmacy Association.
- (2) BIOLOGICAL PRODUCT. Has the same meaning as the term as defined in 42 U.S.C. §262.
- (3) BOARD or STATE BOARD. The Alabama State Board of Pharmacy.
- (4) CHEMICAL. Any substance of a medicinal nature, whether simple or compound, obtained through the process of the science and art of chemistry, whether of organic or inorganic origin.
- (5) DISPENSE. To sell, distribute, administer, leave with, give away, dispose of, deliver, or supply a drug or medicine to the ultimate user or his or her agent.
- (6) DRUGS. All medicinal substances, preparations, and devices recognized by the United States Pharmacopoeia and National Formulary, or any revision thereof, and all substances and preparations intended for external and internal use in the cure, diagnosis, mitigation, treatment, or prevention of disease in man or animal and all substances and preparations other than food intended to affect the structure or any function of the body of man or animal.
- (7) EXTERN. A candidate for licensure as a pharmacist during the time prior to graduation from an accredited college of pharmacy.
- (8) HOSPITAL. An institution for the care and treatment of the sick and injured, licensed by the Alabama State Board of Health and authorized to be entrusted with the custody of drugs and medicines, the professional use of drugs and medicines being under the direct supervision of a medical practitioner or pharmacist.
- (9) INTERCHANGEABLE BIOLOGICAL PRODUCT. A biological product for which the federal Food and Drug Administration has made either a determination of licensure based on standards for interchangeability pursuant to 42 U.S.C. §262(k)(4), or a determination of therapeutic equivalence based on the latest edition of or supplement to the federal Food and Drug Administration's publication Approved Drug Products with Therapeutic Equivalence Evaluations (Orange Book).
- (10) INTERN. An individual who is currently licensed by this state to engage in the practice of pharmacy while under the personal supervision of a pharmacist and is satisfactorily progressing toward meeting the requirements for licensure as a pharmacist, a graduate of an approved college of pharmacy who is currently licensed by the board for the purpose of obtaining practical experience as a requirement for licensure as a pharmacist, or a qualified applicant awaiting examination for licensure.
- (11) LEGEND DRUG. Any drug, medicine, chemical, or poison bearing on the label the words, "Caution, federal law prohibits dispensing without prescription" or similar wording indicating that such drug, medicine, chemical, or poison may be sold or dispensed only upon the prescription of a licensed medical practitioner.
- (12) LICENSE. The grant of authority by the board to a person authorizing him or her to engage in the practice of pharmacy in this state.
- (13) MANUFACTURER. A person or entity, except a pharmacy, who prepares, derives, produces, researches, tests, labels, or packages any drug, medicine, chemical, or poison.

(14) **MEDICAL PRACTITIONER.** Any physician, dentist, or veterinarian, or any other person authorized by law to treat, use, or prescribe medicine and drugs for sick and injured human beings or animals in this state.

(15) **MEDICINE.** Any drug or combination of drugs that has the property of curing, diagnosing, preventing, treating, or mitigating diseases or that which may be used for those purposes.

(16) **OUTSOURCING FACILITY.** A facility at one geographic location or address that is engaged in the compounding of sterile drugs, which has elected to register with the federal Food and Drug Administration as an outsourcing facility and complies with the requirements of Section 503B(d)(4)(A) of the federal Food, Drug, and Cosmetic Act.

(17) **PATENT OR PROPRIETARY MEDICINES.** Completely compounded nonprescription packaged drugs, medicines, and nonbulk chemicals which are sold, offered, promoted, or advertised by the manufacturer or primary distributor under a trademark, trade name, or other trade symbol, and the labeling of which conforms to the requirements of the federal Food, Drug, and Cosmetic Act; provided, that this definition shall not include:

a. Drugs which are only advertised and promoted professionally to licensed physicians, dentists, or veterinarians by manufacturers or primary distributors.

b. A narcotic or drug containing a narcotic.

c. A drug the label of which bears substantially either the statements "Caution--federal law prohibits dispensing without prescription" or "Warning--may be habit-forming".

d. A drug intended for injection.

(18) **PERMIT.** The grant of authority by the board to any person, firm, or corporation authorizing the operation of a pharmacy, wholesale drug distributor, repackager, bottler, manufacturer, or packer of drugs, medicines, chemicals, or poisons for medicinal purposes. Nonresident wholesale drug distributors registered with the appropriate agency, in the state in which they are domiciled, and operating in compliance with Prescription Drug Marketing Act standards, shall be allowed to do business in this state. No permit shall be required of any physician licensed to practice medicine for any act or conduct related to or connected with his or her professional practice.

(19) **PERSON.** Any individual, partnership, corporation, association, trust, or other entity.

(20) **PHARMACIST.** Any person licensed by the board to practice the profession of pharmacy as a health care provider in the State of Alabama and whose license is in good standing.

(21) **PHARMACY.** A place licensed by the board in which prescriptions, drugs, medicines, medical devices, chemicals, and poisons are sold, offered for sale, compounded, or dispensed, and shall include all places whose title may imply the sale, offering for sale, compounding, or dispensing of prescriptions, drugs, medicines, chemicals, or poisons.

(22) **PHARMACY SERVICES PERMIT.** Certain services performed by a pharmacy, as defined by board rule, and specifically excluding the receipt or inventory of drugs, medicines, chemicals, poisons, or medical devices.

a. This subdivision, and any rule adopted by the board pursuant to this subdivision, may not be interpreted to expand the practice of pharmacy, as the practice of pharmacy and permits are limited by this section and Sections 34-23-11 and 34-23-70, or to restrict the practice of medicine as defined in Section 34-24-50.

b. This subdivision, and any rule adopted by the board pursuant to this subdivision, is subject to the restrictions contained in subsection (b) of Section 34-23-30.

c. This subdivision shall not be interpreted to allow the board to adopt any rule that would authorize a pharmacist to sell, offer for sale, or dispense any prescription drug except pursuant to the terms of a valid prescription issued by a licensed practitioner authorized to prescribe such drug.

(23) **POISON.** Any substance other than agricultural products and pesticides which when applied to, introduced into, or developed within the body in relatively small quantities by its inherent chemical action uniformly produces serious bodily injury, disease, or death.

(24) **PRECEPTOR.** A person who is duly licensed to practice pharmacy in the state and meets the requirements as established by the board.

(25) **PRESCRIPTION.** Any order for drug or medical supplies, written or signed or transmitted by word of mouth, telephone, telegraph, closed circuit television, or other means of communication by a legally competent practitioner, licensed by law to prescribe and administer such drugs and medical supplies intended to be filled, compounded, or dispensed by a pharmacist.

(26) **PRIVATE LABEL DISTRIBUTOR.** A firm that does not participate in the manufacture or processing of a drug but instead markets and distributes under its own trade name, and labels a drug product made by someone else. A private label distributor is responsible for the products it introduces into interstate commerce and for compliance with federal Food, Drug, and Cosmetic Act requirements and Current Good Manufacturing Practices regulations.

(27) **PROFESSIONAL DEGREE.** A degree in pharmacy requiring a minimum of five academic years.

(28) **REPACKAGER.** A person who purchases or acquires from a manufacturer or distributor, a drug, medicine, chemical, or poison for the purpose of bottling, labeling, or otherwise repackaging for sale or distribution. This definition shall not apply to a physician licensed to practice medicine who as a part of his or her professional practice dispenses, administers, sells, or otherwise distributes any drug to a patient.

(29) **SALE.** Barter, exchange, or gift, or offer of barter, exchange, or gift, and shall include each transaction made by any person, whether a principal, proprietor, agent, servant, or employee.

(30) **THIRD-PARTY LOGISTICS PROVIDER.** An entity that provides or coordinates warehousing or other logistics services of a product in interstate commerce on behalf of a manufacturer, wholesale distributor, or dispenser of a product, that does not take ownership of the product, nor have responsibility to direct the sale or disposition of the product.

(31) **WHOLESALE DRUG DISTRIBUTORS.** A person, other than a manufacturer, the co-licensed partner of a manufacturer, a third-party logistics provider, or repackager, engaged in the business of distributing drugs and medicines for resale to pharmacies, hospitals, practitioners, government agencies, or other lawful outlets permitted to sell drugs or medicines. The sale, purchase, or trade of a drug by a retail pharmacy to another retail pharmacy or practitioner, for relief of temporary shortages, is exempt from this definition. Also exempt from this definition shall be all of the following:

a. Intracompany sales.

b. Manufacturer and distributor sales representatives who distribute drug samples.

c. Charitable organizations distributing to nonprofit affiliates of that organization.

d. Certain purchases by hospitals or other health care entities that are members of a group purchasing organization.

e. The distributors of blood and blood components.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §2; Acts 1991, No. 91-475, p. 860, §1; Act 98-643, p. 1414, §1; Act 2012-213, p. 381, §1; Act 2017-422, §1; Act 2018-107, §1; Act 2019-406, §1.)*

**Section 34-23-2 Objects and Purposes of Chapter.**

The practice of pharmacy and the management and operation of pharmacies are hereby declared to affect the public health, safety, and welfare of the people of Alabama, and thereby subject to regulation and control in the public interest. It is further declared to be a matter of public interest and concern that only qualified persons compound or dispense prescription drugs and medicines, and that pharmacies be managed in such a manner as to protect the public, and all provisions of this chapter shall be liberally construed to carry out these objects and purposes.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §1.)*

**Section 34-23-3 State Drug Investigators.**

Each state drug investigator employed by the board following the passage of this chapter must furnish satisfactory proof to the board that he or she is a person of good moral character and that in the judgment of the members of the board he or she has sufficient knowledge of the laws pertaining to the practice of pharmacy and law enforcement to enable him or her to carry out his or her duties as an investigator consistent with this chapter. Each state drug investigator employed by the board shall serve an apprenticeship of a minimum of six months working with and under the supervision of the Chief Drug Investigator or other investigator designated by the board. Each such investigator, before entering upon his or her duties, shall post with the board a bond in the amount of two thousand dollars (\$2,000) conditioned upon the faithful performance of his or her duties. Each state drug investigator shall have the power to inspect the medicines and drugs or drug products or domestic remedies which are manufactured, packaged, packed, made, sold, offered for sale, exposed for sale, or kept for sale in this state, and for this purpose shall have the right to enter and inspect during business hours any pharmacy or any other place in this state where medicines or drugs or drug products or proprietary medicines are manufactured, packaged, packed, made, sold, offered for sale, or kept for sale, whether or not licensed by the board. Each state drug investigator shall be subject to the same restrictions as other officers of the law in regard to search and seizure. They shall report to the board all violations of the laws relating to pharmacy and all rules and regulations of the board. As directed by the board, it shall be the duty of the state drug investigators to issue citations for violations of such laws, rules, or regulations or institute criminal proceedings against persons for such violations. When authorized by the board and where there are specific complaints, the state drug investigator shall have the right to inspect all records, shipping tickets, or any other document pertaining to the transfer of drugs or drug preparations, from or to hospitals, pharmacists, wholesale establishments and manufacturers, or any other place or establishment where the preparations of drugs are kept or stored. They shall have the authority to inspect all prescription files, prescription record books, poison registers, exempt narcotic registers, and any other records pertaining to the filling and filing of prescriptions. It shall be the duty of the state drug investigator to take possession of all revoked licenses and permits or suspended licenses and permits, or both, when such licenses and permits are not surrendered voluntarily to the board by the person or pharmacist whose license or permit has been revoked or suspended. Nothing in this chapter shall authorize or require the state drug investigator or state drug investigators to inspect the offices of doctors of medicine who have duly qualified with the State Board of Medical Examiners.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §7; Act 2017-422, §1.)*

**Section 34-23-4 Licensure Limited to Graduates from Approved Schools and Colleges.**

The Board of Pharmacy shall consider for licensure graduates from only those schools and colleges of pharmacy which are approved by the board.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §8; Act 2006-296, p. 607, §1.)*

**Section 34-23-6 Bankruptcy Sales, Auction Sales, etc., of Drugs and Medicines.**

In the event of any sale in bankruptcy, at public auction or any other sale except in the normal course of business, the seller shall give written notice of such sale to the board at least one week prior to the day of sale, and a complete and accurate report must be made in writing to the board by the proposed seller within 10 days after such sale showing the names and addresses of the parties to whom any narcotics, exempt narcotics, or dangerous drugs have been sold together with an itemized inventory thereof. This section shall not apply to the bona fide sale of a pharmacy as a business when the board has been notified of such proposed sale.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §30.)*

**Section 34-23-7 Illegal Possession of Prescription Drugs.**

Any person found in possession of a drug or medicine limited by law to dispensation by a prescription, unless such drug or medicine was lawfully dispensed, shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than \$1,000 and, in addition thereto, may be imprisoned in the county jail for hard labor for not more than one year. This section shall not apply to a licensed pharmacy, licensed pharmacist, wholesaler, manufacturer, or his or her representative acting within the line and scope of his or her employment, physician, veterinarian, dentist, or nurse acting under the direction of a physician, nor to a common carrier or messenger when transporting such drug or medicine in the same unbroken package in which the drug or medicine was delivered to him or her for transportation.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §31.)*

**Section 34-23-8 Substitution of Drugs or Brands of Drugs.**

No person shall dispense or cause to be dispensed a different drug or brand of drug in lieu of that ordered or prescribed without the express permission in each case of the person ordering or prescribing such drug, except as provided below:

(1) A licensed pharmacist in this state shall be permitted to select for the brand name drug product prescribed by a licensed physician or other practitioner who is located in this state and authorized by law to write prescriptions, hereinafter referred to as "practitioner," a less expensive pharmaceutically and therapeutically equivalent drug product containing the same active ingredient or ingredients, and of the same dosage form strength, in all cases where the practitioner expressly authorizes such selection in accordance with subdivision (4).

(2) A licensed pharmacist located in this state shall be permitted to select for the brand name drug product prescribed by a practitioner who is located in another state or licensing jurisdiction and who is authorized by the laws of that state or jurisdiction to write prescriptions, a less expensive pharmaceutically and therapeutically equivalent drug product containing the same active ingredient or ingredients, and of the same dosage form strength, in all cases where the out-of-state licensed physician or other practitioner does not expressly prohibit a substitution.

(3) A pharmacist shall record on the prescription form the name and manufacturer or distributor of any drug product dispensed as herein authorized.

(4)a. Every written prescription issued in this state by a licensed practitioner shall contain two signature lines. One line shall indicate if the brand name is meant to be dispensed and the other shall indicate if a product selection is permitted. The practitioner shall communicate instructions to the pharmacist by signing on the appropriate line.

b. An oral or electronic prescription, including an e-fax, from the practitioner shall instruct the pharmacist whether or not a less expensive pharmaceutically and therapeutically equivalent drug product may be dispensed. The pharmacist shall note instructions on the file copy of the prescription and retain the prescription form for the period specified by law. The State Board of Pharmacy shall not adopt any rule affecting the subject matter of this subdivision.

(5) Unless otherwise indicated by the practitioner, the prescription label on the dispensing container shall indicate the actual drug product dispensed, either the brand name, or if none, the generic name, and the name of the manufacturer or a reasonable abbreviation of the name of the manufacturer.

(6) This shall not be interpreted to exclude the use of a formulary or drug list as adopted and approved by a medical staff in a licensed hospital with drugs provided thereunder by procedures established for use within that licensed hospital.

(7) Any person who violates this section shall be punished by a fine of up to \$1,000.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §18, Acts 1979, No. 79-429, p. 676, §1; Act 2002-58, p. 144, §1; Act 2019-441, §1.)*

**Section 34-23-8.1 Substitution of Certain Biological Products; Notice.**

(a) No person shall dispense or cause to be dispensed a different biological or brand of biological product in lieu of that ordered or prescribed without the express permission in each case of the person ordering or prescribing the drug, except as provided in this section.

(b) A licensed pharmacist in this state shall be permitted to select for the brand name biological product prescribed by a licensed physician or other practitioner who is located in this state and authorized by law to write prescriptions, hereinafter referred to as "practitioner," a less expensive interchangeable biological product in all cases where the practitioner expressly authorizes the selection in accordance with subsection (d).

(c) A licensed pharmacist located in this state may select for the brand name biological product prescribed by a practitioner who is located in another state or licensing jurisdiction and who is authorized by the laws of that state or jurisdiction to write prescriptions, a less expensive interchangeable biological product, in all cases where the out-of-state licensed physician or other practitioner does not expressly prohibit a substitution.

(d)(1) Every written prescription for a biological product issued in this state by a licensed practitioner shall contain two signature lines. One line shall indicate if the brand is meant to be dispensed, and the other shall indicate if a product selection is permitted. The practitioner shall communicate instructions to the pharmacist by signing on the appropriate line.

(2) An oral or electronic prescription, including an e-fax, from the practitioner for a biological product shall instruct the pharmacist whether or not a less expensive interchangeable biological product may be dispensed. The pharmacist shall note instructions on the file copy of the prescription and retain the prescription form for the period specified by law.

(e) The State Board of Pharmacy may not adopt any rule affecting the subject matter of this section.

(f) When a pharmacist dispenses an interchangeable biological product for the prescribed biological product, the pharmacist, or his or her designee, shall inform the patient or patient's designee prior to dispensing the interchangeable biological product.

(g)(1) Within 24 hours, not counting the hours of Sunday or recognized federal holidays, a pharmacist, or the designee of the pharmacist, who dispenses a different biological product than that ordered or prescribed shall inform the prescribing physician that a different biological product was substituted for the biological product prescribed and provide the name and manufacturer of the biological product dispensed. The notice to the prescribing physician or other practitioner shall be by any of the following:

- a. Electronic message sent to the electronic prescribing system used by the prescribing physician or other practitioner to transmit the prescription to the pharmacy.
- b. Telephone.
- c. Facsimile.

(2) In any instance where the prescribing practitioner indicates for a pharmacist to communicate using a specific notification method listed in subdivision (1), the pharmacist shall utilize that method of communication. A voicemail left for the prescribing physician or other practitioner at the telephone number provided to the pharmacist or his or her designee shall constitute notice under this section.

(h) A pharmacist, or his or her designee, shall record on the prescription form the name and manufacturer or distributor of any drug product, or the name and manufacturer of any biological product, dispensed as authorized in this section.

(i) Notice to the prescribing physician is not required if a refill prescription is not changed from the product dispensed on the immediately prior filling of the prescription.

(j) Unless otherwise indicated by the practitioner, the prescription label on the dispensing container shall indicate the actual biological product dispensed, either the brand name, or if none, the name of the biosimilar biologic product as referred to by the federal Food and Drug Administration's Lists of Licensed Biological Products With Reference Product Exclusivity and Biosimilarity of Interchangeability Evaluations (Purple Book), and the name of the manufacturer or a reasonable abbreviation of the name of the manufacturer.

(k) The board may maintain a link on its website to the current list of all biological products that the federal Food and Drug Administration has licensed and meets the standards for "interchangeability" pursuant to 42 U.S.C. §262(k).

(l) Notwithstanding any other provision of this section, a pharmacist may not substitute an interchangeable biologic medication for a biologic medication prescribed to a Medicaid recipient if the Medicaid Agency has determined the prescribed biologic is lower in net cost to the Medicaid Agency after rebates.

(m) This section is intended and shall be construed to apply only to biological drug products.

*(Act 2019-406, §2.)*

### **Section 34-23-9 Purity of Drugs Dispensed.**

No person shall compound or sell or offer for sale or cause to be compounded, sold, or offered for sale any medicine, drug, poison, chemical, or pharmaceutical preparation that is adulterated. Any one of the above-named substances shall be deemed to be adulterated if it is sold by a name recognized in the United States Pharmacopoeia or National Formulary and it differs from the standard of strength, quality, or purity as determined by the test laid down therein. A product may be of a lesser strength only if the product is clearly labeled with the actual strength. The board may use product analysis data from any laboratory that satisfies all of the following qualifications:

- (1) Is registered by the Food and Drug Administration.
- (2) If the product is a legend controlled drug, is licensed by the Bureau of Narcotics and Dangerous Drugs.
- (3) Is ISO 17025 certified.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §17; Act 2017-422, §1.)*



**Section 34-23-10 Notification by Pharmacists of Change of Employment.**

Each pharmacist licensed by the board shall notify the board in writing within 10 days on change of employment. The notice shall contain his or her name, license number, the name of the pharmacy where formerly employed and the name of the pharmacy where currently employed.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §12.)*

**Section 34-23-11 Physicians, Dentists, Registered Nurses, etc., Exempt from Chapter.**

(a) Nothing contained in this chapter shall prevent any licensed practitioner of the healing arts from personally compounding, dispensing, administering, or supplying to his or her patient drugs and medicines for their use. This chapter shall not apply to the manufacture or sale at wholesale or retail of patent or proprietary medicines as purchased from a manufacturer or wholesaler, or to the manufacture or sale at wholesale or retail of packaged, bottled, or nonbulk chemicals, medicines, medical and dental supplies, cosmetics, and dietary foods when identified by and sold under a trademark, trade name, or other trade symbol, privately owned or registered in the United States Patent Office, sold or offered to be sold to the general public, if the article meets the requirements of the Federal Food, Drug, and Cosmetic Act other than prescription legend drugs.

(b) A registered nurse in the employment of the State Health Department or a county health department may, in the provision of health care services, dispense legend drugs as provided in this section under the standing orders or direct supervision of a physician licensed to practice medicine in this state and pursuant to procedures established by the Board of Pharmacy and implemented by a pharmacist licensed to practice pharmacy in this state. The nurse may dispense the legend drugs for the treatment of tuberculosis, sexually transmitted diseases, family planning, hypertension, and other programs if approved by the State Board of Pharmacy. The dispensing of the drugs shall meet all labeling, packaging, recordkeeping, and counseling requirements of a prescription. The Board of Pharmacy shall have the responsibility to inspect the site where the dispensing occurs. The authority granted to a registered nurse pursuant to this subsection shall not apply to controlled substances as defined in Chapter 2 of Title 20.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §32; Acts 1997, No. 97-643, p. 1176, §1.)*

**Section 34-23-12 Injunctions Against Violations of Chapter.**

When it shall appear to the board that any person who is not licensed under the provisions of this chapter is violating any of the provisions of this chapter, the board may in its own name bring an action in the circuit court for an injunction, and the court of this state may enjoin any person from violating the provisions of this chapter regardless of whether proceedings have been or may be instituted before the board or whether criminal proceedings have been or may be instituted.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §23.)*

**Section 34-23-13 Penalty for Practicing Pharmacy Without a License; Compounding or Dispensing Prescriptions by Unauthorized Persons; Violations of Chapter or Rules and Regulations of Board.**

Any person who shall practice pharmacy in this state without having first obtained from the board a license, or who permits prescriptions to be compounded and/or dispensed by unauthorized persons; or who violates any of the provisions of this chapter; or who willfully violates any published rule or regulation of the board; or who does any act described in this chapter as unlawful, the penalty for which is not herein specifically provided, shall be guilty of a misdemeanor and, upon conviction, shall be punished by fine of not more than \$1,000 for each offense, to be fixed by the court trying the case, and in addition thereto may be, in the discretion of the court trying the case, sentenced to hard labor for the county for a period not to exceed 12 months.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §10.)*

## **Article 2 Licenses and Permits.**

### **Division 1 General Provisions**

#### **Section 34-23-30 Pharmacy Permits Generally.**

(a) Every pharmacy, hospital pharmacy, drugstore, pharmacy department, prescription department, prescription laboratory, apothecary, or any other establishment with a title implying the sale, offering for sale, compounding, or dispensing of drugs, or any entity providing pharmacy services for patients residing in this state, shall register biennially and receive a permit from the board. Any person desiring to open, operate, maintain, or establish a pharmacy or to establish an entity to provide pharmacy services shall apply to the board for a permit at least 30 days prior to the opening of the business. No pharmacy or entity performing pharmacy services shall open for the transaction of business until it has been registered, inspected, and a permit issued by the board. The application for a permit shall be made on a form prescribed and furnished by the board which when properly executed shall indicate the ownership desiring such permit and the names and license numbers of all licensed pharmacists employed as well as the location of the pharmacy or entity where pharmacy services are performed and other information as the board may require. If more than one pharmacy or entity where pharmacy services are performed is operated by the same owner, a separate application for registration shall be made and a separate permit issued for each such establishment. All permits issued under this section shall become due on October 31 and shall become null and void on December 31 of even-numbered years. Every application for a permit for a new pharmacy or entity where pharmacy services are performed shall be accompanied by a fee to be determined by the board, but the fee shall not be less than one hundred dollars (\$100) nor more than two hundred dollars (\$200). Every application for a renewal permit shall be accompanied by a fee to be determined by the board, but the fee shall not be less than fifty dollars (\$50) nor more than one hundred fifty dollars (\$150). Every application for a permit due to transfer of ownership shall be accompanied by a fee to be determined by the board, but the fee shall not be less than one hundred fifty dollars (\$150) nor more than four hundred dollars (\$400). Every application for a permit for an out-of-state pharmacy or entity where pharmacy services are performed shall be accompanied by a fee to be determined by the board, but the fee shall not be less than seven hundred fifty dollars (\$750) nor more than two thousand dollars (\$2,000). Every application for a renewal permit for an out-of-state pharmacy or entity where pharmacy services are performed shall be accompanied by a fee to be determined by the board, but the fee shall not be less than four hundred dollars (\$400) nor more than seven hundred fifty dollars (\$750). Each application for the renewal of a permit shall be made on or before October 31 of each even-numbered year, at which time the previous permit shall become null and void on December 31 of even-numbered years. A penalty of twenty-five dollars (\$25) for each overdue month shall be assessed in addition to the permit fee for renewal of delinquent permits. The secretary of the board shall issue a permit for each pharmacy or entity where pharmacy services are performed whose application is found to be satisfactory by the board. Permits issued under this section shall not be transferable. Any change in the control of ownership or licensed pharmacists shall be reported to the board in writing within 10 days of such occurrence. If the pharmacy or entity where pharmacy services are performed is owned by a corporation, the permit shall be issued in the name of the corporation. It shall be the duty of the owners of pharmacies or the owners of entities where pharmacy services are performed who are not licensed pharmacists to immediately notify the board upon the termination of employment of licensed pharmacists and to cause the surrender of permits as indicated. The further operation of the pharmacy

or entity where pharmacy services are performed in the absence of licensed pharmacists is forbidden; provided, that the nonregistered owner shall have a period of 30 days within which to comply with this subsection. The next of kin of any deceased licensed pharmacist owner shall have a period of 30 days within which to comply with this chapter, during which time no prescriptions shall be filled unless a licensed pharmacist is on duty. No mail order pharmacy shall transact business in this state without a permit from the board.

(b) Requirements for the grant of authority by the board to any entity providing pharmacy services shall be by board rule.

(c) Nothing contained in this section related to pharmacy services permits shall be interpreted to delegate to the board the authority to adopt rules governing pharmacy benefit managers.

(d) Any person who violates this section shall be guilty of a misdemeanor.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §14; Acts 1985, No. 85-702, p. 1151, §1; Act 2004-450, p. 801, §1; Act 2012-213, p. 381, §1; Act 2017-422, §1; Act 2023-60, §1.)*

### **Section 34-23-31 Permits for Mail-Order Houses.**

Every mail-order house which dispenses drugs or medicines through the United States mail or otherwise from any point in the State of Alabama to any point outside of the State of Alabama, and every such business which dispenses drugs or medicines through the United States mail or otherwise from any point outside of the State of Alabama to any point within the State of Alabama shall obtain a permit from the State Board of Pharmacy as a condition precedent to being qualified and authorized to transact such business in the State of Alabama.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §29.)*

### **Section 34-23-32 Manufacturer, Bottler, Packager, Repackager, etc., of Drugs.**

(a) Commencing on August 1, 2017, every manufacturer, bottler, packager, repackager, third party logistic provider, wholesale drug distributor, private label distributor, outsourcing facility, or pharmacy business identified in the supply chain of drugs, medicines, chemicals, or poisons for medicinal purposes shall register annually with the board by application for a permit on a form furnished by the board and accompanied by a fee to be determined by the board as follows:

(1) The fee shall not be less than five hundred dollars (\$500) nor more than two thousand dollars (\$2,000) for a new establishment.

(2) The fee shall not be less than two hundred fifty dollars (\$250) nor more than one thousand dollars (\$1,000) for a renewal permit.

(3) The fee shall not be less than five hundred dollars (\$500) nor more than two thousand dollars (\$2,000) for a permit due to transfer of ownership.

(b) A holder of a permit shall employ a full-time licensed pharmacist whose principal duty shall be confined to on-premise pharmaceutical operations. Wholesale drug distributors who strictly limit their operation to distribution of drugs, medicines, chemicals, or poisons for medicinal purposes are exempt from the requirement to employ a full-time licensed pharmacist.

(c) The professional practice of any physician licensed to practice medicine is exempt from the requirements of this section.

(d) All permits issued under this section shall become due on October 31 and shall become null and void if not paid by December 31. Each application for the renewal of the permit shall be made annually on or before December 31. A penalty of one hundred dollars (\$100) for each overdue month shall be assessed in addition to the permit fee for renewal of delinquent permits.

(e)(1) Commencing on January 1, 2024, each holder of a permit issued under this section, with the exception of an outsourcing facility, shall designate a current representative of the permit holder and shall register the designated representative with the board. The designated representative shall possess the qualifications, requirements, and background as set out by the board.

(2) The holder of the permit shall pay an initial registration fee to register the designated representative of not less than one hundred dollars (\$100), as set by rule of the board. The registration of a designated representative shall expire on December 31. The renewal of the registration shall be due on October 31 of each year and shall be delinquent after December 31. The annual fee for the renewal of a designated representative shall not be less than one hundred dollars (\$100), as set by rule of the board. If the renewal is not timely received by the board, the applicant for renewal of the registration shall pay a penalty of not more than fifty dollars (\$50) for each month the renewal is late, as set by rule of the board.

(f) All holders of a permit, before shipping any drug bearing the legend, "caution, federal law prohibits dispensing without prescription" or similar wording causing these drugs to be known as legend drugs to new customers, shall assure themselves that the recipient is either a duly licensed doctor of medicine, dentistry, or veterinary medicine or holds a registered pharmacy permit from the board by contacting the office of the board.

(g) No manufacturer, manufacturer affiliate, bottler, packager, repackager, third party logistic provider, wholesale drug distributor, private label distributor, outsourcing facility, or pharmacy business identified in the supply chain of any legend drug or device shall ship, or cause to be shipped, into the state any legend drug or device without a valid permit issued by the board. The civil penalty for a violation of this subsection shall be four thousand dollars (\$4,000) for each violation.

(h) The holder of a permit to ship any legend drug or device into the state shall provide to the board a list of all trading partners, upon request of the board.

(i) No holder of a permit shall ship any legend drug to any person or firm after receiving written notice from the board that the person or firm no longer holds a registered pharmacy permit. Any person violating this section shall be guilty of a misdemeanor.

(j) For each application for a permit found to be satisfactory by the board, the secretary of the board shall issue to the applicant a permit for the appropriate function, which permit shall be displayed in a conspicuous place.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §24; Acts 1985, No. 85-702, p. 1151, §1; Acts 1991, No. 91-475, p. 860, §1; Act 2004-450, p. 801, §1; Act 2017-422, §1; Act 2018-107, §1; Act 2023-119, §1.)*

**Section 34-23-32.1 Adherence to FDA Requirements Under Federal Prescription Drug Marketing Act of 1987.**

Any requirements established by the FDA Guidelines, as required by the Federal Prescription Drug Marketing Act of 1987 (PDMA), as amended, specifically addressed in Sections 34-23-1 and 34-23-32, shall be adhered to by the affected parties.

*(Acts 1991, No. 91-475, p. 860, §2; Act 2017-422, §1.)*

**Section 34-23-32.2 Revocation, Suspension, etc., of License or Certificate; Non-Disciplinary Administrative Penalty.**

Any requirements established by the FDA Guidelines in the Drug Quality and Security Act shall be adhered to by the affected parties. The board may permit any manufacturer, manufacturer affiliate, bottler, packager, repackager, third party logistic provider, wholesale drug distributor, private label distributor, or pharmacy business identified in the supply chain of any drugs, legend drugs, medicines, chemicals, or poisons for medicinal purposes. The board, by rule, shall establish fees for permits issued under this section and fines for violations of this section. Proceeds received by the board from fees levied and fines collected pursuant to this section shall be used by the board to fund the costs of permitting, inspecting, and investigating any business permitted pursuant to this section.

*(Act 2017-422, §2.)*

**Section 34-23-33 Revocation, Suspension, etc., of License or Certificate; Non-Disciplinary Administrative Penalty.**

(a) The board may revoke, suspend, place on probation, or require remediation for any licensed pharmacist or a holder of a pharmacy intern or extern certificate for a specified time as determined by the board and take the same or similar action against the permit to operate any pharmacy in this state, whenever the board finds by a preponderance of the evidence, or pursuant to a consent decree, that the pharmacist has been guilty of any of the following acts or offenses:

(1) Obtaining a license, permit, or registration from the board by fraudulent means.

(2) Violation of the laws regulating the sale or dispensing of narcotics, exempt narcotics, or drugs bearing the label "caution, federal law prohibits dispensing without prescription," or similar wording which causes the drugs to be classified as prescription legend drugs.

(3) Conviction of a felony. A copy of the record of the conviction, certified by the clerk of the court entering the conviction, shall be conclusive evidence of the conviction.

(4) Conviction of any crime or offense that reflects the inability of the practitioner to practice pharmacy with due regard for the health and safety of the patients.

(5) Inability to practice pharmacy with reasonable skill and safety to patients by reason of illness, inebriation, misuse of drugs, narcotics, alcohol, chemicals, or any other substance, or as a result of any mental or physical condition.

When the issue is whether or not a pharmacist is physically or mentally capable of practicing pharmacy with reasonable skill and safety to patients, then, upon a showing of probable cause to the board that the pharmacist is not capable of practicing pharmacy with reasonable skill and safety to patients, the board may require the pharmacist in question to submit to a psychological examination by a psychologist to determine psychological status or a physical examination by a physician, or both, to determine physical condition. The psychologist or physician, or both, shall be designated by the board. The expense of the examination shall be borne by the board. Where the pharmacist raises the issue of mental or physical competence or appeals a decision regarding his or her mental or physical competence, the pharmacist shall be permitted to obtain his or her own evaluation at the pharmacist's expense. If the objectivity or adequacy of the examination is suspect, the board may complete the examination by the designated practitioners at its own expense. When mental or physical capacity to practice is at issue, every pharmacist licensed to practice pharmacy in the state shall be deemed to have given consent to submit to a mental or physical examination or to any combination of the examinations and to waive all objections to the admissibility of the examination, or to previously adjudicated evidence of mental incompetence.

(6) Gross malpractice or repeated malpractice or gross negligence in the practice of pharmacy.

- (7) Violation of any provisions contained in this chapter.
  - (8) Employing, assisting, or enabling in any manner any unlicensed person to practice pharmacy.
  - (9) The suspension, revocation, or probation by another state of a license to practice pharmacy. A certified copy of the record of suspension, revocation, or probation of the state making such a suspension, revocation, or probation shall be conclusive evidence of the suspension, revocation, or probation.
  - (10) Refusal to appear before the board after having been ordered to do so in writing by the executive officer or chair of the board.
  - (11) Making any fraudulent or untrue statement to the board.
  - (12) Violation of any rule or regulation of the board.
  - (13) Violation of the code of professional conduct adopted by the board in the rules and regulations of the board.
- (b) The board shall have the authority to adopt rules imposing a non-disciplinary administrative penalty for designated violations of this chapter.
- Acts 1966, Ex. Sess., No. 205, p. 231, §20; Acts 1989, No. 89-235, p. 303, §3; Acts 1990, No. 90-550, p. 856, §1; Acts 1995, No. 95-585, p. 1243, §1; Act 2009-576, p. 1688, §1; Act 2017-422, §1.)*

**Section 34-23-34 Revocation or Suspension of Licenses to Practice Pharmacy and Pharmacy Permits - Statement of Charges and Notice of Hearing.**

No disciplinary action relating to the license, registration, certificate, or permit of any person or entity regulated by the board may be taken unless a statement of charges and notice of hearing has been served on the person or entity at least 30 days before the date fixed for the hearing. The board, at its sole discretion, may serve the statement of charges by personal service or by registered or certified mail or delivery by any recognized delivery or courier service to the address of the person or entity in the records of the board. The burden of proof shall be on the board.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §21; Act 2022-145, §1.)*

**Division 2 Pharmacists' Licenses.**

**Section 34-23-50 Licensed Required; Pharmacy Intern/Extern Permit; Distributing or Dispensing Controlled Substances.**

- (a) It shall be unlawful for any person, firm, or corporation to practice pharmacy in this state or to permit prescriptions to be compounded or dispensed by a person other than a person duly licensed by the board to practice pharmacy in this state.
- (b)(1) Notwithstanding subsection (a), the board may issue a pharmacy intern/extern permit as further provided in this subsection that authorizes a pharmacy intern or extern to compound and dispense prescriptions while serving under the immediate direct supervision of a licensed pharmacist on the premises of a permitted pharmacy.
- (2) The following persons may apply to the board for a pharmacy intern/extern permit:
  - a. A person who holds a professional degree in pharmacy from a school of pharmacy recognized by the board who desires to serve as a pharmacy intern.
  - b. A person who is enrolled in a school of pharmacy recognized by the board who desires to serve as a pharmacy extern while pursuing his or her education as a pharmacist. In order to be considered enrolled in a school of pharmacy and pursuing education as a pharmacist, the person shall not be absent from the school of pharmacy for more than two consecutive semesters or three consecutive quarters, dependent upon the system in use in the school of pharmacy.

(3) A person requesting a pharmacy intern/extern permit shall submit an application to the board in a form as determined by the board. The person shall be required to be of good moral character and a citizen of the United States or, if not a citizen, must be legally present in the United States with appropriate documentation from the federal government. Further, the person shall not have engaged in any conduct that would be a violation of this chapter or board rule.

(4) The application shall be accompanied with an initial fee of not more than one hundred dollars (\$100).

(5) The board shall require a background check on each applicant as part of the initial application process. The cost of the background check shall be paid by the applicant.

(6) A pharmacy intern/extern permit shall expire on December 31 of odd-numbered years. In order to continue to work as an intern or extern, a renewal fee of not more than one hundred dollars (\$100), as determined by the board, shall be received by the board by December 31 of the year of expiration. If the renewal is not timely received by the board, the applicant for renewal shall pay a penalty of not more than fifty dollars (\$50), as determined by the board, for each month the renewal is late.

(7) For the purposes of this subsection, "immediate direct supervision" means that at least one pharmacist is personally present and available on the premises of the pharmacy for consultation with the intern or extern at all times.

(c) Notwithstanding Section 20-2-51 or any other law to the contrary, each person licensed by the board to practice pharmacy may distribute or dispense controlled substances during the biennial period for which the person is licensed.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §9; Acts 1985, No. 85-702, p. 1151, §1; Act 2005-57, p. 84, §3; Act 2009-576, p. 1688, §1; Act 2022-130, §1.)*

**Section 34-23-51 Application for License; Qualifications; Examination; License By Reciprocity.**

(a) Every person who desires to practice pharmacy within this state shall file with the secretary of the board his or her application for licensure as required by the board not less than 10 days prior to his or her examination. The application shall be accompanied by an examination and registration fee for residents and nonresidents of this state, the fees to be set by the board.

(b) The applicant shall furnish satisfactory proof that he or she is at least 19 years of age, of good moral character, and that he or she holds a professional degree from a division, school, college, or a university department of pharmacy recognized by the board. Each applicant shall also be a citizen of the United States or, if not a citizen of the United States, a person who is legally present in the United States with appropriate documentation from the federal government.

(c) The applicant shall have completed an approved practical training program under the supervision of a licensed pharmacist in a site recognized by the board as qualified for training pharmacy externs and interns, the training standards to be established by the board as long as the standards are not less than those set by the National Association of Boards of Pharmacy. The completion of the practical training requirements shall be attested by affidavit from the licensed pharmacist preceptor under whom the training is served.

(d)(1) The applicant shall pass an examination administered by the National Association of Boards of Pharmacy or other entity approved by the board in subjects consistent with those required by the National Association of Boards of Pharmacy and in accordance with the rules of the board. In case of failure of a first examination, the applicant shall have within three years the privilege of a second and third examination. In case of failure in the third examination, the applicant shall be eligible for only one additional examination and this only after he or she has satisfactorily completed additional preparation as directed and approved by the board.

(2) An applicant may be admitted to the examination provided all of the requirements in subsections (a), (b), and (c) are met, and in addition, that affidavits attesting to the prescribed practical training program have been presented to the secretary prior to the examination.

(3) An application for examination by the board may be denied if the applicant is proven to have been involved in any violation of this chapter. An applicant who has been expelled from an examination for cribbing, cheating, or other dishonest conduct shall not be permitted to complete the examination applied for and shall not be permitted to file a new application for examination during the balance of the same calendar year or the calendar year next following the expulsion.

(e) The board may issue a license without examination to an applicant who furnishes satisfactory proof that he or she has been licensed to practice pharmacy by examination in another state that under like conditions grants reciprocal licensure without examination to pharmacists duly licensed by examination in this state, that he or she is a person of good moral character and temperate habits, and provided that the requirements in the state from which the applicant is reciprocating were no less than the requirements of the National Association of Boards of Pharmacy. The application shall be accompanied by a fee set by the board. Each applicant for licensure by reciprocity shall be personally interviewed by two or more members of the board before being granted a license, and the applicant shall pass an examination on the laws governing the practice of pharmacy in this state. The applicant shall be approved for reciprocity by the board prior to the time that he or she begins the duties of a licensed pharmacist in this state. No applicant shall be granted reciprocal licensure unless all evidence and supporting documents of licensure in the state from which the applicant is reciprocating are approved as meeting the requirements for reciprocity of the National Association of Boards of Pharmacy. The board shall set and collect a fee for submitting and certifying grades for reciprocity in other states.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §11; Acts 1975, 3rd Ex. Sess., No. 147, p. 393; Acts 1989, No. 89-235, p. 303, §3; Act 98-643, p. 1414, §1; Act 2009-36, p. 126, §3; Act 2021-185, §1.)*

**Section 34-23-52 Expiration and Renewal of Certificate; Continuing Education.**

(a) All certificates of licensure shall expire on December 31 of even-numbered years. In order to continue to be licensed, every licensed pharmacist shall pay to the secretary of the board a biennial renewal fee to be determined by the board, but the fee shall not be less than twenty-five dollars (\$25) nor more than one hundred fifty dollars (\$150). The renewal fee shall be due on October 31 and delinquent after December 31 of even-numbered years, except that holders of life certificates to practice pharmacy previously issued shall not be required to pay a renewal fee. The payment of the renewal fee shall entitle the registrants to renewal of their certificates at the discretion of the board. If any pharmacist fails to pay a renewal fee on or before the due date, the holder of the certificate may be reinstated as a licensed pharmacist only upon payment of a penalty of ten dollars (\$10) for each lapsed month and all lapsed fees, provided the lapsed time of registration may not exceed five years, in which case reinstatement may occur only upon satisfactory examination by the board.

(b) In addition to any fee requirements, each pharmacist shall be required to complete continuing education for each renewal period, as determined by the board by rule.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §13; Acts 1985, No. 85-702, p. 1151, §1; Act 2004-450, p. 801, §1; Act 2021-185, §1.)*



**Section 34-23-53 Training Program for Candidates for Licensure.**

Candidates for licensure as pharmacists shall complete a practical training program as prescribed by the board in keeping with standards established by the national accreditation agencies. The candidate shall apply to the board for proper reporting forms and shall ascertain that the preceptor under whom he or she proposes to take his or her practical training is a qualified preceptor. The candidate shall receive credit for experience gained only in an approved site under the supervision of an approved preceptor. The candidate must keep records as prescribed by the board of all professional experience gained, and upon request, must report to the board and furnish information relative to the practical experience gained. The board may accept internship affidavits from other states, provided the internship requirements are no less than requirements of the National Association of Boards of Pharmacy.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §27; Acts 1975, 3rd Ex. Sess., No. 147, p. 393; Act 98-643, p. 1414, §1.)*

**Article 3 Pharmacies.**

**Section 34-23-70 Management; Display of Permit and License; Poisons; Prescription Requirements; Violations.**

(a) Every pharmacy when opened for business shall be under the personal supervision of a duly licensed pharmacist who shall have personal supervision of not more than one pharmacy at the same time. During temporary absences of the licensed pharmacist, not to exceed three hours daily or more than one and one-half hours at any one time, nor more than one week for temporary illness, the prescription department shall be closed, and no prescriptions are to be filled. During the temporary absence of a pharmacist, a sign shall be placed on the prescription counter in a prominent location easily seen by the public stating, "Prescription Department Closed, No Pharmacist on Duty."

(b) The permit issued to each pharmacist by the board and the licensure certificates issued to the licensed pharmacist employed by each pharmacy must be prominently and conspicuously displayed in the pharmacy. The name of the licensed pharmacist on duty must be conspicuously displayed in the prescription department in a place readily observable by the public.

(c)(1) No licensed pharmacist or pharmacy operating within this state shall accept for refund purposes or otherwise any unused portion of any dispensed prescription.

(2) The prohibition in subdivision (1) shall not apply to any unused or expired dispensed medication returned solely for the purpose of destruction in compliance with applicable law or rules of the board.

(d) The sale of poisons is restricted to the immediate supervision of a licensed pharmacist, and such poison shall not be displayed in a pharmacy in such a manner that a customer may obtain possession of such poisons when standing in an area allocated for customer use. No sale of a poison shall be made or delivered to any minor under 12 years of age or to any person known to be of unsound mind or under the influence of alcohol.

(e) No pharmacy shall authorize any person, firm, or business establishment to serve as a pick-up station or intermediary for the purpose of having prescriptions filled or delivered, whether for profit or gratuitously. Except with respect to controlled substances, any facility recognized as a federally qualified health center, as defined in 42 U.S.C. §1396d(1)(2)(B), operating health care practices and providing pharmacy services in the state is expressly exempt from this subsection. Each eligible federally qualified health center is authorized to fill certain prescriptions at one location and deliver medications to clinics for patient pick-up subject to the review of the board.

(f) No prescription blank supplied by a pharmacy or pharmacist to a practitioner shall bear the imprint thereon of the name or address of any pharmacy or bear the name or address of any person registered under this chapter.

(g)(1) No person shall fill or compound a prescription or drug order in an institution unless he or she is a duly licensed pharmacist or otherwise permitted to do so under this chapter. The act of filling or compounding prescriptions or drug orders in an institution shall be as defined in the rules adopted by the board.

(2) However, such rules shall not apply to the reading, interpreting, and writing or verifying the writing of adequate directions as are necessary to assure patient's understanding of the prescriber's intentions by a duly qualified nurse practicing his or her profession in a licensed hospital or similar institution.

(3) Nothing in this chapter shall authorize the board to promulgate or to enforce any rule which governs, regulates, or restricts the professional practice of a physician licensed to practice medicine in this state. No provision of this chapter, or any rule promulgated under the authority of this chapter, shall be interpreted to amend, alter, or modify Section 34-23-11.

(h) Only a licensed pharmacist or registered intern may accept an oral prescription of any nature. Upon so accepting such oral prescription, it must immediately be reduced to writing, and only a licensed pharmacist or an intern supervised by a licensed pharmacist may prepare a copy of a prescription or read a prescription to any person for purposes of providing reference concerning treatment of the person or animal for whom the prescription was written; and, when the copy is given, a notation shall be made upon the prescription that a copy has been given, the date given, and to whom given.

(i) If a prescription is refilled, a record of the date upon which the prescription is refilled must appear on the prescription or in a permanent prescription record book. On prescriptions which may be refilled, written or oral authorization must be received before refilling unless the number of refills is indicated on the original prescription. Those prescriptions marked "refill pm" or equivalent designation shall be refilled only in quantities commensurate with the dosage scheduled.

(j) Each prescription must be written in a manner so that it can be compounded by any registered pharmacist. The coding of any prescription is in violation of this chapter. No prescription shall be written in any characters, figures, or ciphers, other than in the English or Latin language, generally in use among medical and pharmaceutical practitioners.

(k) A prescription file or files shall be kept by every pharmacy for a period of not less than two years in which the original of every prescription compounded or dispensed shall be filed in the order of compounding with number and date of dispensing placed on each prescription. Each pharmacy shall produce any prescription file whenever legally required to do so. Such prescription file shall at all times be open for inspection by the prescriber, the board, or its investigators.

(l) All drugs or drug preparations bearing upon the package the words, "caution, federal law prohibits dispensing without prescription" or words to the same effect, otherwise known as legend drugs, shall be stored within the confines of the prescription department or the prescription department storage room of each pharmacy. Such drugs shall be sold or dispensed only on the prescription of a licensed practitioner authorized to prescribe such drugs and shall not be sold or dispensed as a refilled prescription except upon the express authorization of the prescriber. This shall not be construed to prohibit return to authorized suppliers or sale or transfer to others licensed to possess legend drugs.

(m) Any person who violates this section shall be guilty of a misdemeanor.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §15; Acts 1989, No. 89-747, p. 1513, §1; Act 2009-772, p. 2385, §1; Act 2012-553, p. 1631, §1; Act 2013-198, p. 387, §1; Act 2017-422, §1; Act 2018-463, §1.)*

**Section 34-23-71 Requirements for Prescription Rooms.**

Any new pharmacy or any existing pharmacy which is to be remodeled or which is to be moved to a new location other than a hospital pharmacy must comply with the following requirements for the prescription room area: That portion or part of the entire licensed pharmacy which is to be occupied by the prescription compounding or dispensing department, including that portion or part thereof utilized for the sale of restricted drugs, shall be not less than 240 square feet. The surface of the prescription compounding counter shall be not less than 24 inches in width and not less than 16 square feet of unobstructed working space for one pharmacist and not less than 24 square feet of total working space where two or more pharmacists are to be on duty at any one time. The aisle space or floor area to be occupied by a dispensing pharmacist shall extend the full length of the prescription compounding counter, and it shall be clear and unobstructed for a minimum distance of 36 inches from the working side of the prescription compounding counter.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §16.)*

**Section 34-23-72 Internship Training Sites.**

Every site approved by the State Board of Pharmacy for intern training shall be managed so that the intern is provided with ample opportunity to meet the training requirements established by the board. The site must have in its employ, or have an arrangement with, a pharmacist who is registered as a preceptor. A site which meets these qualifications may be approved for internship training by the board.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §25; Act 98-643, p. 1414, §1.)*

**Section 34-23-73 Preceptor Qualifications.**

Every pharmacist serving as a preceptor shall have expressed a willingness to serve as a preceptor. Pharmacist preceptors shall be approved by the board and shall be willing to cooperate with the board in developing the necessary training requirements and shall provide appropriate documentation to the board. Each preceptor shall certify as to the commencement and completion of the training period and may make recommendations to the board concerning the competency of his or her trainee. The preceptor shall report to the board from time to time as requested on the progress of any intern or extern under his or her supervision. It shall be his or her responsibility in a supervisory capacity to see that each intern or extern receives proper training under the objectives of the board for this practical training program.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §26; Act 98-643, p. 1414, §1.)*

**Section 34-23-74 Hospitals and Related Institutions; Automated Dispensing Systems.**

(a) Except as otherwise provided in subsection (b), every pharmacy located in a hospital, skilled nursing home, or other related institution in this state shall be under the supervision of a licensed pharmacist. In general hospitals, skilled nursing homes, and extended care facilities not operating a pharmacy, the drug or medicine room shall be under the direct supervision and direction of a consulting pharmacist or a member of the medical staff who shall be a licensed practitioner of medicine. In nursing homes which are not classified by the State Board of Health as skilled nursing homes, maternity homes, homes for the aged, domiciliary institutions, and all related institutions except those operated by and in conjunction with a licensed hospital, medicines or drugs bearing the wording on the label "caution, federal law prohibits dispensing without prescription" or similar wording that causes the medicines or drugs to be known as prescription legend drugs shall be furnished by a licensed pharmacy on the prescription of a licensed practitioner of medicine for individual patients, and there shall be no prescription legend drugs on the premises of these institutions other than those so prescribed except an emergency kit as authorized by the State Board of Health. In hospitals and skilled nursing homes using vending machines or mechanical devices for the storage and dispensing of drugs, the machines or devices shall be stocked only under the supervision of a licensed pharmacist, and the drugs may be dispensed from the machine or device only by an individual acting in accordance with established institutional hospital pharmacy policy. The State Board of Pharmacy may at any time adopt such additional rules and regulations consistent with this chapter as may be deemed necessary after advising with the Alabama Society of Hospital Pharmacists in regard to the storage and handling of drugs and medicines and the disposition of unused portion of drugs and medicines in hospitals and other related institutions under this section.

(b) Notwithstanding the provisions of subsection (a), the use and operation of automated dispensing systems in skilled nursing facilities by a pharmacy holding a permit issued for that purpose is authorized pursuant to rules adopted by the board.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §28; Acts 1995, No. 95-398, p. 819, §1; Act 2013-106, p. 222, §1.)*

**Section 34-23-75 Emergency Prescription Refill.**

(a) In the event a pharmacist receives a request for a prescription refill and the pharmacist is unable to readily obtain refill authorization from the prescriber, the pharmacist may dispense a one-time emergency refill of up to a 72-hour supply or the smallest dispensable package size of the prescribed medication, providing that all of the following apply:

(1) The prescription is not a medicinal agent listed in Schedule I or II pursuant to Title 20, Chapter 2, or the controlled substances list for Schedule I or II maintained by the State Board of Health.

(2) The medication is essential to the maintenance of life or the continuation of therapy in a chronic condition. Only those drugs designated by a joint rule adopted by the Board of Pharmacy and Board of Medical Examiners shall be refilled, according to the procedure established in this section.

(3) The dispensing pharmacist creates a written order containing all of the prescription information required by this chapter and Title 20, Chapter 2.

(4) The dispensing pharmacist provides notification to the prescriber of the emergency dispensing within 24 hours after the dispensing.

(b) The Board of Pharmacy and the Board of Medical Examiners, through joint rule, may adopt additional rules to implement this section.

*(Acts 1991, No. 91-554, p. 1023, §1; Act 2023-231, §1.)*

**Section 34-23-76 Repackaging, Relabeling, and Storing of Non-Controlled Legend Drugs for Certain Residential Care Facility Patients.**

(a) The Board of Pharmacy may establish by rule protocols allowing a pharmacy in possession of a current retail pharmacy permit to repackage, relabel, and store any non-controlled legend drug for a patient residing in a residential care facility which does not have a pharmacy located on the premises.

(b) For purposes of this section, a residential care facility means any of the following:

- (1) A convalescent home.
- (2) A nursing home.
- (3) An extended care facility.
- (4) A mental health or psychiatric facility.
- (5) A rehabilitation facility.
- (6) A developmental disability center.
- (7) An assisted living facility.
- (8) A speciality care assisted living facility.

*(Act 2011-520, p. 836, §1.)*

**Section 34-23-77 Collaborative Practice Agreement.**

(a) A pharmacist licensed by the Alabama State Board of Pharmacy and a physician licensed by the Medical Licensure Commission may enter into a collaborative practice agreement.

(b) A copy of the collaborative practice agreement and any amendment thereto shall be submitted to each respective board within 10 days after the agreement is signed by both parties.

(c) A collaborative practice agreement and any amendment thereto shall not become effective until approved by the Alabama State Board of Pharmacy and the State Board of Medical Examiners.

(d) The Alabama State Board of Pharmacy and the State Board of Medical Examiners shall each adopt rules to implement this section. The initial rules shall be adopted not later than October 1, 2019.

(e) A collaborative practice agreement between a licensed pharmacist and a licensed physician may not be approved unless both the Alabama State Board of Pharmacy and State Board of Medical Examiners have rules in effect implementing this section.

(f) Fees for physicians participating in a collaborative practice with a licensed pharmacist shall be collected and retained by the State Board of Medical Examiners. Fees for pharmacists participating in a collaborative practice with a licensed physician shall be collected and retained by the Alabama State Board of Pharmacy. The fee for a physician participating in a collaborative practice shall be set by the State Board of Medical Examiners in an amount not to exceed three hundred dollars (\$300). The fee for a pharmacist participating in a collaborative practice shall be set by the Alabama State Board of Pharmacy in an amount not to exceed three hundred dollars (\$300).

(g) Nothing in this section shall preclude a pharmacist licensed by the Alabama State Board of Pharmacy employed by a licensed health care facility from executing approved medical protocols within the facility.

*(Act 2019-368, §1; Act 2021-177, §1(b)(2).)*

## **Article 4 Board of Pharmacy.**

### **Section 34-23-90 Authority; Composition.**

(a) The Alabama State Board of Pharmacy is vested with the authority to carry out the purposes of and enforce this chapter. The board shall consist of five members who are residents of this state. The members of the board shall be licensed pharmacists who have been licensed in this state for a minimum of five years and who are actively engaged in the practice of pharmacy or pharmacy administration, or both.

(b) Three members shall be appointed by the Governor. Of the three appointed members, one member shall be engaged in the practice of pharmacy or pharmacy administration, or both, in a hospital, one in an independent pharmacy, and one in a chain pharmacy. On or before August 1, 1996, and each five years thereafter, or whenever a vacancy occurs in the designated position for hospital pharmacists, the Alabama Society of Health System Pharmacists, or its successor organization, shall submit a list of three nominees to the Governor. On or before August 1, 1994, and each five years thereafter, or whenever a vacancy occurs in the designated position for a chain pharmacist, the Alabama Pharmacy Association, or its successor organization, shall submit a list of three nominees to the Governor. On or before August 1, 1997, and each five years thereafter, or whenever a vacancy occurs in the designated position for the independent pharmacist, the independent pharmacist members of the Alabama Pharmacy Association, or its successor organization, shall submit a list of three nominees to the Governor. From the names submitted to the Governor, the Governor shall appoint a replacement on or before December 31 of the same year the nominations are received, for the member or members whose term or terms are expiring. Background information shall be provided for each nominee for an appointed position.

(c)(1) On or before December 1, 1995, and each five years thereafter, and on or before December 1, 1998, and each five years thereafter, or whenever a vacancy occurs in a nondesignated position, the Board of Trustees of the Alabama Pharmacy Association, or its successor organization, shall select a committee of five pharmacists who are members of the association to serve as a nominating committee. No member of the nominating committee shall be a candidate. The committee shall receive names of pharmacists actively engaged in pharmacy practice or administration, or both, from companies and individuals, and shall narrow the list of nominees to two names to be placed on a ballot to be voted on by all Alabama pharmacists.

(2) The election procedure for a nondesignated slot shall be as follows: Each candidate shall provide a biographical sketch of not more than 150 words, which shall include his or her most recent practice experience. The board shall select a third party to conduct the election and tabulate the ballot results. The election ballots and a biographical sketch of the candidates shall be delivered by the third party to Alabama licensed pharmacists by September 1. The ballot delivery shall be conducted in a secure manner to safeguard organizational data and to ensure the integrity of the voting process. Completed election ballots must be received by the third party no later than October 1 to be tabulated. A pharmacist receiving a majority of the ballots received shall be considered the winner. If a runoff election is necessary, the runoff ballots shall be delivered to licensed pharmacists by November 1 by the same method of ballot delivery as provided above. Completed runoff election ballots must be received by the third party no later than December 1 to be tabulated.

(3) The ballots for each election shall be tabulated by the third party and the results shall be certified and audited by the third party. The results of the tabulation and audit shall be made available to any candidate and to the nominating body upon request.

(d) Any vacancies occurring on the board other than by expiration of term shall be filled by election or appointment only for the unexpired term and shall be filled by the same procedure that the replaced member was elected or appointed. Each member of the board shall serve a term of five years beginning on January 1 following appointment and terminating on December 31 of his or her fifth year as a member of the board.

(e) No pharmacist shall serve two full terms consecutively.

(f)(1) The Governor, upon recommendation of the board, may remove a member of the board upon proven charges of inefficiency, incompetency, immorality, or professional misconduct. The replacement member shall be elected or appointed by the same procedure that the removed member was elected or appointed.

(2) Appointees to the board, within 30 days after their appointment or election, shall take an oath or make affirmation before a properly qualified officer that he or she will faithfully and impartially perform the duties of his or her office. This oath or affirmation shall be filed with the Secretary of State.

(3) At its last regular meeting in each calendar year, the board shall elect for a term of one year, effective the following January 1, a president, a vice-president, and a treasurer who shall be members of the board. No member shall serve more than two years in the same office on the board during a five-year term.

(4) The board shall also elect a secretary who shall not serve as a member of the board, and the board shall have the authority to fix the amount of the secretary's remuneration. If a board member is selected as secretary, the board member shall resign from the board and a replacement on the board shall be selected by the same procedure by which the resigned member was originally elected or appointed. The secretary shall not be employed during the service by any registrant of the board.

(g) For the purpose of this section, a chain pharmacy is defined as any retail pharmacy employing in Alabama a minimum of 40 full-time equivalent pharmacists. A chain pharmacist is defined as a pharmacist employed on a full-time basis by a chain pharmacy for a minimum of three years.

(h) It is the intent of the Legislature that the composition of the board reflect the demographics of the pharmacy profession. For vacancies occurring after March 18, 2005, the nominating organizations and the appointing authorities shall select those individuals whose appointments assure that the membership of the board is inclusive and reflects the racial, gender, geographic, urban/rural, and economic diversity of this state.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §3; Acts 1981, No. 81-810, p. 1448, §1; Acts 1989, No. 89-235, p. 303, §3; Acts 1993, No. 93-671, p. 1209, §3; Act 2001-247, p. 293, §3; Act 2005-57, p. 84, §3; Act 2009-36, p. 126, §3; Act 2022-145, §1.)*

**Section 34-23-91 Duties of Officers; Bonds of Secretary and Treasurer; Compensation and Expenses; Meetings; Quorum; Funds and Disbursements; Books and Records.**

The president of the board shall preside at all of the board's meetings. The vice-president shall preside in the absence or inability of the president. The secretary of the board shall be the executive officer in charge of the board's office. The secretary shall make, keep, and be in charge of all records and record books required to be kept by the board, including a register containing all information which shall be required under this chapter. The secretary shall attend to the correspondence of the board and perform any other duties the board may require in keeping with the office of secretary. The secretary shall receive and record all fees collected under this chapter and, at regular intervals as ordered by the board, shall pay the fees to the treasurer of the board for its use. The secretary may have any forms printed and office supplies furnished as necessary to implement this chapter. The secretary and treasurer of the board shall each furnish bond in an amount to be fixed by the board and shall be conditioned upon the faithful performance and discharge of their respective official duties. The members of the board shall be paid the same per diem and travel allowance as is paid by law to state employees while engaged in the performance of the duties of the board, in addition to any daily compensation or allowance determined by the board. The board shall conduct meetings at least three times annually and more often when deemed necessary for the examination of applicants for licensure and for the transaction of business as may legally come before it. Public notice of all stated meetings shall be given at least 30 days in advance of the meetings. At all meetings of the board, a majority shall constitute a quorum. The members of the board shall determine the place of meetings of the board. The treasurer of the board shall have custody of all funds derived from the various provisions of this chapter. All disbursements shall be made by check as authorized by vouchers signed by the president and secretary of the board. The books and records of the board as made and kept by the secretary or under his or her supervision shall be prima facie evidence of the matter therein recorded in any court.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §4; Acts 1971, No. 1952, p. 3171, §1; Acts 1989, No. 89-235, p. 303, §3; Acts 1993, No. 93-671, p. 1209, §3.)*

**Section 34-23-92 Powers and Duties Generally.**

The board shall exercise, subject to this chapter, the following powers and duties:

- (1) To adopt rules concerning the records and reports to be kept and made by a pharmacy relating to the filling of prescriptions and the handling and preservation of drugs.
- (2) To fix standards and requirements for licenses and permits except as otherwise specified in this chapter.
- (3) To make rules and regulations regarding sanitation consistent with state health regulations.
- (4) To employ such chemists, agents, clerical help, and attorneys necessary for the proper administration of the duties of the board.
- (5) To employ a Chief Drug Investigator and such other drug investigators that it deems necessary to enforce this chapter which are under the supervision of the board.
- (6) To adopt rules and regulations for the administration and enforcement of this chapter and not inconsistent herewith. Such rules and regulations shall be referenced to the section or sections of this chapter which set forth the legislative standard which it interprets or to which it applies. Every such rule and regulation shall be adopted in accordance with the Alabama Administrative Procedure Act. A copy of every rule and regulation containing a requirement of general application shall be electronically mailed to each registered pharmacist at least 10 days before the effective date thereof. A printed copy of such rules and regulations shall be mailed to any registered pharmacist upon written request to the board.



(7) To investigate violations of this chapter or any other law pertaining to the practice of pharmacy that may come to the knowledge of the board and institute or cause to be instituted before the board or in a proper court appropriate proceedings in connection therewith.

(8) To issue subpoenas and compel the attendance of witnesses and the production of all necessary papers, books and records, documentary evidence and materials, or other evidence in matters pending before the board relating to the revocation, suspension, or probation of any license. Those persons issued subpoenas and compelled to attend hearings or meetings in matters pending before the board shall be entitled to witness fees from board funds. Claims for witness fees shall be made on accepted State of Alabama voucher forms as appropriate. Travel and mileage expenses shall be reimbursed to witnesses in the amounts officially authorized to the board and its personnel at the time the service to the board is performed.

(9) To administer oaths in connection with the duties of the board.

(10) To make a written report annually of its receipts and disbursements to the Governor and to the State Pharmaceutical Association. Included in this report shall be the names of all registrants licensed to practice under this chapter and a record of all permits issued during the period covered by the report.

(11) To enforce the state barbiturate act, the state amphetamine act, the state narcotic law, and all other laws of the state which pertain to the practice of pharmacy, the examination of applicants, the licensing of pharmacists, the manufacture, packaging, repackaging, production, sale, or distribution of drugs, chemicals, and poisons, and all laws pertaining to standards for their strength and purity. The board may work in conjunction with other law enforcement agencies to enforce any law pertaining to the practice of pharmacy. Nothing in this section shall be construed to deprive the State Board of Health of any powers or duties otherwise prescribed by law including the enforcement of the narcotic law.

(12) To investigate alleged violations of this chapter or any rule or regulation published by the board and conduct hearings to revoke, suspend, or probate any license or permit granted by the board under this chapter and to invoke penalties not to exceed the sum of one thousand dollars (\$1,000) for each violation and to institute any legal proceedings necessary to effect compliance with this chapter; provided, that any person, firm, or corporation subjected to such penalty or legal proceedings may take an appeal in accordance with Section 34-23-94.

(13) On application of any person and payment of the cost therefor, the secretary of the board shall furnish, under its seal and signed by the secretary, a certified copy of the license or permit of the requestor, or a certified copy of a regulation or rule of the board. In any court or proceeding, such copy shall be prima facie evidence of the fact of the issuance of such permit or license and the adoption of such rule or regulation.

(14) To acquire by gift, grant, purchase, condemnation, or otherwise, and to convey or hold title to, real property, together with all rights incidental thereto.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §5; Acts 1989, No. 89-235, p. 303, §3; Act 2009-576, p. 1688, §1; Act 2017-422, §1.)*

**Section 34-23-92.1 Legislative Findings; Rulemaking Authority; Construction of Section.**

(a) The Legislature finds and declares all of the following:

(1) The power to make rules regulating the practice of pharmacy includes the power to prohibit unlicensed persons from practicing pharmacy and the power to regulate how licensed persons practice pharmacy.

(2) A primary goal of the provision of health care is to prioritize patient safety and wellness.

(3) The board is in the best position to determine the practice of pharmacy that prioritizes patient safety and wellness.

(4) It is the intent of the Legislature in enacting this section to immunize the Board of Pharmacy and its members from liability under state and federal anti-trust laws for the adoption of a rule that prioritizes patient safety and wellness but may be anti-competitive when the effect on public safety and wellness is clearly demonstrated and documented by the Board of Pharmacy.

(b) Subject to subsection (c), rules adopted by the board may define and regulate the practice of pharmacy in a way that prioritizes patient safety and wellness, even if the rule is anti-competitive when the effect on public safety and wellness is clearly demonstrated and documented by the Board of Pharmacy.

(c) A rule adopted by the board may supplement or clarify any statutory definition but may not conflict with any statute that defines the practice of pharmacy.

(d) Nothing in this section shall be construed to constrict or expand the current rights and privileges of any individual governed by the Board of Pharmacy beyond that which existed prior to the ruling in the United States Supreme Court decision *N.C. State Bd. of Dental Examiners v. FTC*, 135 S. Ct. 1101(2015).

(e) Nothing in this section shall be construed to constrict or expand the current duties or responsibilities of the members of the Board of Pharmacy in any context outside of federal or state anti-trust immunity beyond that which existed prior to the ruling in the United States Supreme Court decision *N.C. State Bd. of Dental Examiners v. FTC*, 135 S. Ct. 1101(2015).

*(Act 2016-410, §1-3.)*

**Section 34-23-93 Assisting Prosecuting Officers; Legal Counsel.**

The board and its members and officers shall assist prosecuting officers in the enforcement of this chapter, and it shall be the duty of the board, its members and officers to furnish the proper prosecuting officers with such evidence as it or they may ascertain to assist them in the prosecution of any violation of this chapter, and the board is authorized for such purposes to make such reasonable expenditures from the funds of the board as it may deem necessary to ascertain and furnish such evidence. The Attorney General of the state shall be the attorney for the board, but the board may in its discretion employ other counsel. It shall be the duty of the district attorney of the judicial circuit wherein any offense is committed to prosecute violations of this chapter.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §6.)*

**Section 34-23-94 Judicial Review of Orders.**

From any order of the board, any party affected thereby may appeal the ruling to the circuit court of the county where the party aggrieved resides or where the board maintains its headquarters. The notice of appeal shall be filed within 30 days from the receipt of the order or ruling. Appeals shall otherwise be governed by the judicial review provisions of the Alabama Administrative Procedure Act.

*(Acts 1966, Ex. Sess., No. 205, p. 231, §22; Acts 1985, 2nd Ex. Sess., No. 85-1002, p. 380, §1; Act 2019-357, §1.)*

## **Article 5 Third Party Prescription Program.**

### **Section 34-23-110 Short Title.**

This article shall be known and may be cited as the "Third Party Prescription Program Act."  
(*Acts 1981, No. 81-337, p. 477, §1.*)

### **Section 34-23-111 "Third Party Prescription Program" Defined.**

As used in this article, the term "Third Party Prescription Program" shall mean any system of providing for the reimbursement of pharmaceutical services under a contractual arrangement or agreement between a provider of such services and another party who is not the consumer of those services. Such programs may include, but not be limited to, employee benefit plans whereby a consumer receives prescription drugs or other pharmaceutical services and those services are paid for by an agent of the employer or others.  
(*Acts 1981, No. 81-337, p. 477, §2.*)

### **Section 34-23-112 Required Contractual Provisions.**

Any agreement or contract entered into in this state between the program administrator of a third party program and a pharmacy shall include a statement of the method and amount of reimbursement to the pharmacy for services rendered to persons enrolled in the program, the frequency of payment by the program administrator to the pharmacy for such services rendered, and a method for the adjudication of complaints or the settlement of disputes between the parties.  
(*Acts 1981, No. 81-337, p. 477, §3.*)

### **Section 34-23-113 Cancellation of Program; Use of Identity Card After Cancellation.**

- (a) The administrator of a program shall notify all pharmacies enrolled in the program of any cancellation of coverage of benefits of any group enrolled in the program at least 30 days prior to the effective date of such cancellation.
- (b) All persons enrolled in a program shall be notified of its cancellation, and the administrator of the program shall make every reasonable effort to gain possession of any plan identification cards such persons may have been issued pursuant to the provisions of the program.
- (c) Any person who utilizes a program identification card to obtain services from a pharmacy after having received notice of the cancellation of his benefits shall be liable to the program administrator for all money paid by the program administrator for any services received pursuant to the illegal use of the identification card.  
(*Acts 1981, No. 81-337, p. 477, §4.*)

### **Section 34-23-114 Denial of Payment.**

- (a) No program administrator shall deny payment for services to any pharmacy which may have resulted from the fraudulent or illegal use of any identification card by any person unless the pharmacy has been notified that the card has been canceled or discontinued and that the program administrator has been unsuccessful in attempting to regain possession of the card.
- (b) No program administrator shall withhold any payments to any pharmacy beyond the time period specified in the payment schedule provisions of the agreement, except that individual claims for payment may be returned to the pharmacy for reasons such as incomplete or illegible information and may then be resubmitted by the pharmacy to the program administrator after appropriate corrections have been made.  
(*Acts 1981, No. 81-337, p. 477, §5.*)

**Section 34-23-115 Reimbursement Rates.**

No agreement between a program administrator and a pharmacy shall establish reimbursement rates or procedures that result in reimbursement rates for services rendered to persons covered by the plan which are less than the usual and customary rates paid by consumers not covered by a third party plan for the same or similar services.

*(Acts 1981, No. 81-337, p. 477, §6.)*

**Section 34-23-116 Article Not Applicable To Certain Services.**

This article shall not apply to any services rendered pursuant to provisions of the Alabama Medicaid Program, to the Public Education Employees' Health Insurance Plan, or to any corporation organized under the provisions of Title 10, Chapter 4, Article 6, for establishment and operation of health care service plans.

*(Acts 1981, No. 81-337, p. 477, §7; Acts 1983, No. 83-637, p. 986, §§1, 2; Act 2012-478, p. 1325, §1.)*

**Section 34-23-117 No Programs To Be Instituted Until Notice Given.**

After June 27, 1981, no third party prescription programs shall be instituted in this state unless:

- (1) The program administrator has given written notice of the provisions of the particular program to all pharmacies in this state as defined in Section 34-23-1.
- (2) All pharmacies in this state as defined by Section 34-23-1 have had 30 days from the date of notice to enroll in that particular program.

*(Acts 1981, No. 81-337, p. 477, §8.)*

**Section 34-23-118 Compliance With Article Required of All Programs.**

After June 27, 1981, no third party prescription program shall be instituted, nor shall existing agreement or contract be renewed unless they are in compliance with the provisions of this article.

*(Acts 1981, No. 81-337, p. 477, §11.)*

**Article 6 Pharmacy Technicians.**

**Section 34-23-130 Definitions.**

As used in this article, the following terms shall have the following meanings:

- (1) PHARMACY FUNCTIONS. Those functions performed in a pharmacy department which do not require the professional judgment of a licensed pharmacist.
- (2) PHARMACY TECHNICIAN. An individual, other than an intern, extern, or an assistant pharmacist, who performs pharmacy functions under the direct supervision of a licensed pharmacist.
- (3) SUPERVISION. The direct on-site overseeing of the performance of assigned or delegated duties or functions.

*(Acts 1996, No. 96-496, p. 625, §1.)*

**Section 34-23-131 Registration and Supervision; Rule Making Authority; Continuing Education.**

(a) A pharmacy technician shall not perform pharmacy functions or be present in the prescription department of a pharmacy unless he or she is under the direct supervision of a licensed pharmacist. A pharmacy technician shall not perform pharmacy functions or be present in the prescription department of a pharmacy unless he or she is registered by the board.

(b) When supervision is required, a licensed pharmacist shall be jointly responsible and liable for the actions of a pharmacy technician.

(c) A pharmacy technician shall register and pay a fee as determined by the board before performing any pharmacy functions. The board shall adopt rules relating to the registration of all pharmacy technicians. The registration of a pharmacy technician shall be renewable biennially in odd-numbered years upon payment of the required renewal fee. The registration of each pharmacy technician shall expire on December 31 of odd-numbered years. In order to continue to be licensed, each registered pharmacy technician shall pay a biennial renewal fee of not less than twenty dollars (\$20), as determined by rule of the board, the fee being due on October 31 and delinquent after December 31 of odd-numbered years. The payment of the renewal fee shall entitle the pharmacy technician to renewal of his or her registration at the discretion of the board. If any pharmacy technician fails to pay the renewal fee as required by this subsection, he or she may be reinstated as a pharmacy technician only upon payment of a penalty of not less than ten dollars (\$10) nor more than twenty dollars (\$20), as determined by rule of the board, for each lapsed year and all lapsed fees for each lapsed year up to a maximum of five years of total penalties and lapsed fees.

(d) In addition to any other registration requirements, a pharmacy technician shall complete three hours of continuing education annually, or six hours biennially, of which one hour per year shall be live presentation. The board may grant an extension to a pharmacy technician who fails to complete the required continuing education hours in the allotted time. A pharmacy technician who fails to complete the annual continuing education requirements shall be subject to disciplinary action by the board.

*(Acts 1996, No. 96-496, p. 625, §2; Act 2004-450, p. 801, §1; Act 2017-422, §1; Act 2019-128, §1.)*

**Section 34-23-132 Revocation or Suspension of Registration; Probation.**

The board shall revoke or suspend the registration of a pharmacy technician or place on probation a pharmacy technician for any of, but not limited to, the following reasons:

(1) Willful violation of any provision of this article or the Alabama Uniform Controlled Substances Act.

(2) Willful violation of any rule or regulation promulgated in accordance with this article or the Alabama Uniform Controlled Substances Act.

(3) Action which threatens the public health, safety, or welfare.

(4) Conviction of a felony or misdemeanor involving moral turpitude.

(5) Conviction of a felony or misdemeanor involving a drug related offense of a legend drug or controlled substance.

(6) Obtaining the pharmacy technician registration by fraudulent means.

(7) Violation of the laws regulating the sale or dispensing of narcotics, exempt narcotics, or drugs bearing the label "caution, federal law prohibits dispensing without prescription," or similar wording which causes the drugs to be classified as prescription legend drugs.

*(Acts 1996, No. 96-496, p. 625, §3.)*

## **Article 7 Compounding of Drugs.**

### **Section 34-23-150 Definitions.**

As used in this article, the following terms shall have the following meanings:

- (1) BOARD. The Alabama State Board of Pharmacy.
- (2) COMPONENT. Any ingredient used in the compounding of a drug product.
- (3) COMPOUNDING. The preparation, mixing, assembling, packaging, and labeling of a drug or device as the result of a licensed practitioner's prescription drug order or initiative based on the practitioner/patient/pharmacist relationship in the course of professional practice.
  - a. Compounding may also be for the purpose of, or as incident to, research, teaching, or chemical analysis.
  - b. Compounding includes the preparation of drugs or devices in anticipation of prescription drug orders based on routine, regularly observed prescribing patterns.
  - c. Reconstitution of commercial products is not considered compounding for purposes of this article.
- (4) COMPOUNDED OVER THE COUNTER (OTC) PRODUCTS. A medical product that is prepared, packaged, and labeled in a pharmacy that can be sold by the pharmacy without a prescription.
- (5) MANUFACTURING. The production, preparation, propagation, conversion, or processing of a drug or device, either directly or indirectly, by extraction from substances of natural origin or independently by means of chemical or biological synthesis and includes any packaging or repackaging of the substance or substances or labeling or relabeling of its container, and the promotion and marketing of such drugs or devices. Manufacturing also includes any preparation of a drug or device that is given or sold for resale by a pharmacy, practitioner, or other person. The distribution of inordinate amounts of compounded products without a prescriber/patient/pharmacist relationship is considered manufacturing.
- (6) PHARMACY TECHNICIAN. A person, registered with the board, who assists the pharmacist in the practice of compounding.
- (7) REASONABLE AMOUNTS OF COMPOUNDED PRODUCTS IN INVENTORY. The amount that is required to meet historical dispensing needs.  
*(Act 2003-389, p. 1094, §1.)*

### **Section 34-23-151 Continuing Education; Technician Assistance; Duties of Pharmacist.**

- (a) Any pharmacist who engages in drug compounding shall be proficient in compounding and shall continually expand his or her compounding knowledge by participating in seminars or studying appropriate literature, or both.
- (b) Pharmacy technicians may assist pharmacists in the preparation of compounds. When a written procedure for a compound is not on file at the pharmacy, a pharmacist must direct the preparation of the compound. At all times, a pharmacist shall verify the weight or volume of all active ingredients of a compound. While compounding, there shall be no more than three technicians per pharmacist.
- (c) A pharmacist shall have responsibility to do all of the following:
  - (1) Verify all prescriptions.
  - (2) Approve or reject all components of the compounded product, drug product containers, closures, and labeling.
  - (3) Prepare and review all compounding records to assure that no errors have occurred in the compounding process.

(4) Assure the proper maintenance, cleanliness, and use of all equipment used in a prescription compounding practice.

(5) Assure that only personnel authorized by the supervising pharmacist shall be in the immediate vicinity of the drug compounding operation.

*(Act 2003-389, p. 1094, §2.)*

**Section 34-23-152 Designation and Maintenance of Compounding Area.**

Any pharmacy engaged in compounding shall have a specifically designated and adequate area or space for the orderly compounding of prescriptions. The area used for the compounding of drugs shall be maintained in a good state of repair. The compounding area shall have cleanable surfaces to include walls, ceilings, and floors. Adequate lighting and ventilation shall be provided in all compounding areas. Potable water shall be supplied under continuous positive pressure in a plumbing system free of defects that could contribute contamination to any compounded drug product. Areas used for compounding shall be maintained in a clean and sanitary condition.

*(Act 2003-389, p. 1094, §3; Act 2006-543, p. 1260, §1; Act 2006-573, p. 1506, §1.)*

**Section 34-23-153 Use, Maintenance, and Inspection of Compounding Equipment.**

Equipment used in the compounding of drug products shall be of appropriate design and capacity, as well as suitably located to facilitate operations for its intended use, cleaning, and maintenance. Compounding equipment shall be of suitable composition so the surfaces that contact components shall not be reactive, additive, or absorptive so as to alter the purity of the product compounded. Equipment and utensils used for compounding shall be cleaned and sanitized prior to use to prevent contamination. Equipment and utensils shall be stored in a manner to protect from contamination. Automated, mechanical, electronic, limited commercial scale manufacturing, or testing equipment and other types of equipment may be used in the compounding of drug products. If such equipment is used, it shall be routinely inspected, calibrated, if necessary, or checked to ensure proper performance. Immediately prior to the initiation of compounding operations, the equipment and utensils shall be inspected by the pharmacist and determined to be suitable for use. When potent or hazardous drugs, such as antibiotics, cytotoxins, and steroid hormones, are involved, appropriate measures shall be utilized in order to prevent cross-contamination and proper disposal procedures shall be followed. Measures shall include either the dedication of equipment for such operations or the meticulous cleaning of equipment prior to its use for the preparation of other drugs.

*(Act 2003-389, p. 1094, §4.)*

**Section 34-23-154 Drug Components To Meet Certain Requirements.**

Pharmacists compounding prescriptions shall use their professional judgment in first receiving, storing, or using drug components that meet official compendia requirements or other high quality sources. Bulk drugs and other chemicals or materials used in the compounding of drugs shall be stored in adequately labeled containers in a clean, dry area or, if required, under proper refrigeration.

*(Act 2003-389, p. 1094, §5.)*

**Section 34-23-155 Drug Product Containers and Closures.**

Drug product containers and closures shall be handled and stored in a manner to prevent contamination and to permit inspection and cleaning of the work area. Containers and closures shall be of suitable material in order not to alter the compounded drug as to quality, strength, or purity.

*(Act 2003-389, p. 1094, §6.)*

**Section 34-23-156 Compounding Procedures.**

The board shall establish written procedures for the compounding of drug products to assure that the finished products have the identity, strength, quality, and purity they purport to have or are represented to possess. The procedures shall include, but not be limited to, a listing of the components, their amounts in weight or volume, the lot number of the components, if available, the order of component mixing, a description of the compounding process, and a designated name for the finished product. The procedures shall be followed in the execution of the compounding procedure. Components shall be accurately weighed, measured, or subdivided, as appropriate. The operations shall be checked and rechecked by the compounding pharmacist at each stage of the process to ensure that each weight and measure is correct as stated in the written compounding procedures. Pharmacists shall determine that all finished products have an acceptable degree of weight variation among capsules, and shall assure a reasonable uniformity and integrity of all compounded products.

*(Act 2003-389, p. 1094, §7.)*

**Section 34-23-157 Components Transferred To Nonoriginal Container; Advance Product Preparation; Labeling.**

(a) If a component is transferred from the original container to another container, including, but not limited to, a powder being taken from the original container and stored in another container, the new container shall be identified with the following information:

- (1) Component name and supplier.
- (2) Lot number and expiration date, if available.
- (3) Strength and concentration.

(b) Products prepared in anticipation of a prescription prior to receiving a valid prescription shall be prepared in reasonable amounts. Products shall be labeled or documentation referenced with all of the following information:

- (1) A complete list of ingredients or designated name of the preparation.
- (2) Preparation date.
- (3) Beyond use date.
- (4) Storage under conditions dictated by composition and stability, including storage in a clean, dry place or in the refrigerator.
- (5) Batch or lot number.

(c) Upon the completion of the drug preparation operation, the pharmacist shall examine the product for correct labeling. The prescription label shall contain all of the information required of other prescriptions.

*(Act 2003-389, p. 1094, §8.)*

**Section 34-23-158 Retention of Records.**

Any procedures or other records required to comply with good compounding practices shall be retained for the same period of time as required for retention of prescription records. All records required to be retained under good compounding practices, or copies of such records, shall be readily available for authorized inspection. Computer information and the hard copy of the prescription shall indicate that the prescription is to be compounded. Adequate records are required to be kept of any controlled dangerous substances or scheduled drugs which are used in compounding.

*(Act 2003-389, p. 1094, §9.)*



**Section 34-23-159 Preparation of Compounded Drug Products for Over the Counter Sale.**

A pharmacy may prepare a compounded drug product to be sold over the counter without a prescription order. The product shall not contain an ingredient which exceeds recommended strengths and doses for over the counter drugs. The finished product shall not be one for which a prescription is required. It shall be properly labeled with the product's name, directions for use, list of active ingredients, and any necessary warnings. A compounded product shall be sold directly to the patient after professional interaction or consultation between the pharmacist and the patient. The product may be prepared in advance in reasonable amounts in anticipation of estimated needs. The product shall be stored within the prescription department. The product may not be sold in bulk to other pharmacies or vendors for resale.

*(Act 2003-389, p. 1094, §10; Act 2017-422, §1)*

**Section 34-23-160 Preparation of Compounded Drug Products for Prescriber's Office Use; Labeling.**

(a) A pharmacy may prepare a compounded drug product for a prescriber's office use. An order by a prescriber indicating the formula and quantity ordered shall be filed in the pharmacy. The product shall be administered in the prescriber's office and shall not be dispensed to the patient. A record of the compounded drug product may be kept as a prescription record in the computer of the pharmacy. A label may be generated and a number assigned by the computer of the pharmacy for the compounded product. A record of the product's written procedure shall be on file in the pharmacy as provided in Section 34-23-158. A record of the product's sale to the prescriber shall remain on file at the pharmacy for not less than one year. The record shall contain the following information:

- (1) The name and address of the prescriber.
- (2) The date of sale.
- (3) A description and amount of the product sold.
- (b) The label on the compounded product shall include the following information:
  - (1) The designated name and the strength of the finished product.
  - (2) The quantity dispensed.
  - (3) The date on which the product was compounded.
  - (4) The beyond use date.
  - (5) A lot or batch number.
  - (6) Any other information the pharmacist deems necessary.
  - (7) The name and address of the pharmacy.
- (c) The label shall include the phrase For Office Use.

*(Act 2003-389, p. 1094, §11; Act 2017-422, §1.)*

**Section 34-23-161 Prescriptions for Animals.**

Drugs for animals may be compounded based upon an order or prescription. Prescriptions for animals shall be handled and filled in the same manner as are prescriptions for humans.

*(Act 2003-389, p. 1094, §12.)*

**Section 34-23-162 Rules and Regulations.**

The board shall promulgate such rules and regulations as are necessary for the implementation, administration, and enforcement of this article.

*(Act 2003-389, p. 1094, §13.)*

## **Article 8 Pharmacy Audit Integrity Act.**

### **Section 34-23-180 Short Title.**

This article shall be known and may be cited as "The Pharmacy Audit Integrity Act."  
(Act 2012-306, p. 668, §1.)

### **Section 34-23-181 Definitions.**

The following words shall have the following meanings as used in this article:

(1) HEALTH BENEFIT PLAN. Any individual or group plan, employee welfare benefit plan, policy, or contract for health care services issued, delivered, issued for delivery, or renewed in this state by a health care insurer, health maintenance organization, accident and sickness insurer, fraternal benefit society, nonprofit hospital service corporation, nonprofit medical service corporation, health care service plan, or any other person, firm, corporation, joint venture, or other similar business entity that pays for insureds or beneficiaries in this state. The term includes, but is not limited to, entities created pursuant to Article 6 of Chapter 20 of Title 10A. A health benefit plan located or domiciled outside of the State of Alabama is deemed to be subject to this article if it receives, processes, adjudicates, pays, or denies claims for health care services submitted by or on behalf of patients, insureds, or beneficiaries who reside in Alabama.

(2) PHARMACY. A place licensed by the Alabama State Board of Pharmacy in which prescriptions, drugs, medicines, medical devices, chemicals, and poisons are sold, offered for sale, compounded, or dispensed and shall include all places whose title may imply the sale, offering for sale, compounding, or dispensing of prescriptions, drugs, medicines, chemicals, or poisons.

(3) PHARMACY BENEFIT MANAGEMENT PLAN. An arrangement for the delivery of pharmacist services in which a pharmacy benefit manager undertakes to administer the payment or reimbursement of any of the costs of pharmacist services for an enrollee on a prepaid or insured basis that contains one or more incentive arrangements intended to influence the cost or level of pharmacist services between the plan sponsor and one or more pharmacies with respect to the delivery of pharmacist services and requires or creates benefit payment differential incentives for enrollees to use under contract with the pharmacy benefit manager.

(4) PHARMACY BENEFIT MANAGER. A business that administers the prescription drug or device portion of pharmacy benefit management plans or health insurance plans on behalf of plan sponsors, insurance companies, unions, and health maintenance organizations. The term includes a person or entity acting for a pharmacy benefit manager in a contractual or employment relationship in the performance of pharmacy benefit management for a managed care company, nonprofit hospital or medical service organization, insurance company, or third-party payor.

(5) PHARMACIST SERVICES. Offering for sale, compounding, or dispensing of prescriptions, drugs, medicines, chemicals, or poisons pursuant to a prescription. Pharmacist services also includes the sale or provision of, counseling of, or fitting of medical devices, including prosthetics and durable medical equipment.

(Act 2012-306, p. 668, §2; Act 2018-457, §1.)

### **Section 34-23-182 Purpose.**

The purpose of this article is to establish minimum and uniform standards and criteria for the audit of pharmacy records by or on behalf of certain entities.

(Act 2012-306, p. 668, §3.)

**Section 34-23-183 Application.**

This article shall apply to any audit of the records of a pharmacy conducted by a managed care company, nonprofit hospital or medical service organization, health benefit plan, third-party payor, pharmacy benefit manager, a health program administered by a department of the state, except the Alabama Medicaid Agency, or any entity that represents those companies, groups, or department.

*(Act 2012-306, p. 668, §4; Act 2018-457, §1.)*

**Section 34-23-184 Audit Procedures; Report.**

(a) The entity conducting an audit shall follow these procedures:

(1) The pharmacy contract shall identify and describe in detail the audit procedures.

(2) The entity conducting the on-site audit shall give the pharmacy written notice at least two weeks before conducting the initial on-site audit for each audit cycle. If the pharmacy benefit manager does not include their auditing guidelines within their provider manual, then the notice must include a documented checklist of all items being audited and the manual, including the name, date, and edition or volume, applicable to the audit and auditing guidelines. For on-site audits a pharmacy benefit manager shall also provide a list of material that is copied or removed during the course of an audit to the pharmacy. The pharmacy benefit manager may document this material on either a checklist or on an audit acknowledgement form. The pharmacy shall produce any items during the course of the audit or within 30 days of the on-site audit.

(3) The entity conducting the on-site audit may not interfere with the delivery of pharmacist services to a patient and shall utilize every effort to minimize inconvenience and disruption to pharmacy operations during the audit process.

(4) An audit that involves clinical or professional judgment shall be conducted by or in consultation with a licensed pharmacist.

(5) The audit shall not consider as fraud any clerical or recordkeeping error, such as a typographical error, scrivener's error, or computer error regarding a required document or record; however, such errors may be subject to recoupment, provided that a pharmacy shall not be subject to a charge-back or recoupment for a clerical or recordkeeping error in a required document or record, including a typographical or computer error, unless the error resulted in overpayment to the pharmacy. The pharmacy shall have the right to submit amended claims through an online submission to correct clerical or recordkeeping errors in lieu of recoupment of a claim where no actual financial harm to the patient or plan has occurred, provided that the prescription was dispensed according to prescription documentation requirements set forth by the Alabama Pharmacy Act and within the plan limits. The pharmacy shall not be subject to recoupment of funds by the pharmacy benefit manager unless the pharmacy benefit manager can provide proof of intent to commit fraud or such error results in actual financial harm to the pharmacy benefit manager, a health insurance plan managed by the pharmacy benefit manager, or a consumer. A person shall not be subject to criminal penalties for errors provided for in this subsection without proof of intent to commit fraud, waste, or abuse.

a. Any amount to be charged back or recouped due to overpayment shall not exceed the amount the pharmacy was overpaid.

b. The auditing entity shall not include the dispensing fee in the calculation of an overpayment unless a prescription is considered a misfill. As used in this paragraph, misfill means a prescription that was not dispensed, a prescription in which the prescriber denied the authorization request, a prescription in which an additional dispensing fee was charged, or a prescription error.

(6) An entity conducting an audit shall not require any documentation that is not required by state and federal law. The information shall be considered to be valid if documented on the prescription, computerized treatment notes, pharmacy system, or other acceptable medical records.

(7) Unless superseded by state or federal law, auditors shall only have access to previous audit reports on a particular pharmacy conducted by the auditing entity for the same pharmacy benefit manager, health plan, or insurer. An auditing vendor contracting with multiple pharmacy benefit managers or health insurance plans shall not use audit reports or other information gained from an audit on a particular pharmacy to conduct another audit for a different pharmacy benefit manager or health insurance plan.

(8) Audit results shall be disclosed to the health benefit plan in a manner pursuant to contract terms.

(9) A pharmacy may use the records of a hospital, physician, or other authorized practitioner of the healing arts for drugs or medicinal supplies written or transmitted by any means of communication for the purposes of validating the pharmacy record with respect to orders or refills of a legend or narcotic drug.

(10) If the pharmacy benefit manager or its representative conducts an audit, the sample size shall not be greater than 150 prescriptions, provided that a refill does not constitute a separate prescription for the purposes of this subdivision.

(11) Reasonable costs associated with the audit shall be the responsibility of the auditing entity if the claims sample exceeds 100 unique prescription hard copies.

(12) A finding of an overpayment or an underpayment may be a projection based on the number of patients served having a similar diagnosis or on the number of similar orders or refills for similar drugs, except that recoupment shall be based on the actual overpayment or underpayment of actual claims.

(13) A finding of an overpayment may not include the cost of the drugs that were dispensed in accordance with the prescriber's orders, provided the prescription was dispensed according to prescription documentation requirements set forth by the Alabama Pharmacy Act and within the plan limits. A finding of an overpayment may not include the dispensing fee amount unless any of the following apply:

- a. A prescription was not actually dispensed.
- b. The prescriber denied authorization.
- c. The prescription dispensed was a medication error by the pharmacy.
- d. The identified overpayment is solely based on an extra dispensing fee.

(14) Each pharmacy shall be audited under the same standards and parameters as other similarly situated pharmacies audited by the entity and must be audited under rules applicable to the contractor and time period of the prescription.

(15) Where not superseded by state or federal law, the period covered by an audit may not exceed two years from the date the claim was submitted to or adjudicated by a managed care company, nonprofit hospital or medical service organization, health benefit plan, third-party payor, pharmacy benefit manager, a health program administered by a department of the state, or any entity that represents those companies, groups, or department. An audit may not be conducted six months past the date the pharmacy benefit management plan terminated its contract to adjudicate claims with a pharmacy benefit manager, health plan administrator, or any other entity representing those companies.

- (16) An audit may not be initiated or scheduled during the first five calendar days of any month.
- (b) The entity shall provide the pharmacy with a written report of the audit and comply with all of the following requirements:
- (1) The preliminary audit report shall be delivered to the pharmacy within 90 days after the conclusion of the audit, with a reasonable extension to be granted upon request.
  - (2) A pharmacy shall be allowed at least 30 days following receipt of the preliminary audit report in which to produce documentation to address any discrepancy found during the audit, with a reasonable extension to be granted upon request.
  - (3) A final audit report shall be delivered to the pharmacy within 180 days after receipt of the preliminary audit report or final appeal, as provided for in Section 34-23-185, whichever is later.
  - (4) The audit documents shall be signed by the auditors assigned to the audit. The acknowledgement or receipt shall be signed by the auditor and the audit report shall contain clear contact information of the representative of the auditing organization.
  - (5) Recoupments of any disputed funds, or repayment of funds to the entity by the pharmacy if permitted pursuant to contractual agreement, shall occur after final internal disposition of the audit, including the appeals process as provided for in Section 34-23-185. If the identified discrepancy for an individual audit exceeds twenty-five thousand dollars (\$25,000), future payments in excess of that amount to the pharmacy may be withheld pending finalization of the audit.
  - (6) Interest shall not accrue during the audit period.
  - (7) Each entity conducting an audit shall provide a copy of the final audit report, after completion of any review process, to the plan sponsor in a manner pursuant to a contract.
- (Act 2012-306, p. 668, §5; Act 2018-457, §1.)*

**Section 34-23-185 Appeals.**

- (a) Each entity conducting an audit shall establish a written appeals process under which a pharmacy may appeal an unfavorable preliminary audit report to the entity.
  - (b) Following the appeal, if the entity finds that an unfavorable audit report or any portion thereof is unsubstantiated, the entity shall dismiss the audit report or that portion without the necessity of any further action.
  - (c) Following the appeal, if any of the issues raised in the appeal are not resolved to the satisfaction of either party, that party may ask for mediation of those unresolved issues unless other remedies are granted under the terms of the contract. A certified mediator shall be chosen by agreement of the parties from the mediators list maintained by the Alabama Supreme Court. The cost of mediation shall be borne by agreement of the parties or by the decision of the mediator.
- (Act 2012-306, p. 668, §6; Act 2018-457, §1.)*

**Section 34-23-186 Extrapolation.**

- (a) The auditing entity shall not use extrapolation to calculate penalties or amounts to be charged back or recouped unless otherwise required by federal requirements or federal plans.
  - (b) The auditing entity conducting a pharmacy audit shall not compensate an employee or contractor with which an auditing entity contracts to conduct a pharmacy audit based on the amount claimed or the actual amount recouped by the pharmacy being audited.
- (Act 2012-306, p. 668, §7; Act 2018-457, §1.)*

**Section 34-23-187 Fraud, Willful Misrepresentation, or Waste Abuse.**

This article does not apply to any audit, review, or investigation that involves alleged fraud, willful misrepresentation, or waste abuse.

*(Act 2012-306, p. 668, §8.)*



1 SB15

# ACT #2024 - 37

2 27CZIIK-2

3 By Senator Beasley

4 RFD: Healthcare

5 First Read: 06-Feb-24

6 PFD: 11-Jan-24





## SB15 Enrolled

1 Enrolled, An Act,  
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4 Relating to the Board of Pharmacy and compounding  
5 pharmacies; to further provide for the number of pharmacy  
6 technicians while compounding to comply with the ratios for  
7 supervision as provided by rule of the board.

8 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

9 Section 1. Section 34-23-151 of the Code of Alabama  
10 1975, is amended to read as follows:

11 "§34-23-151

12 (a) Any pharmacist who engages in drug compounding  
13 shall be proficient in compounding and shall continually  
14 expand his or her compounding knowledge by participating in  
15 seminars or studying appropriate literature, or both.

16 (b) Pharmacy technicians may assist pharmacists in the  
17 preparation of compounds. When a written procedure for a  
18 compound is not on file at the pharmacy, a pharmacist must  
19 direct the preparation of the compound. At all times, a  
20 pharmacist shall verify the weight or volume of all active  
21 ingredients of a compound. While compounding, ~~there shall be~~  
22 ~~no more than three technicians per pharmacist~~ the number of  
23 pharmacy technicians shall comply with the ratios for  
24 supervision as provided by rule of the board.

25 (c) A pharmacist shall have responsibility to do all of  
26 the following:

27 (1) Verify all prescriptions.

28 (2) Approve or reject all components of the compounded



## SB15 Enrolled

29 product, drug product containers, closures, and labeling.

30 (3) Prepare and review all compounding records to  
31 assure that no errors have occurred in the compounding  
32 process.

33 (4) Assure the proper maintenance, cleanliness, and use  
34 of all equipment used in a prescription compounding practice.

35 (5) Assure that only personnel authorized by the  
36 supervising pharmacist shall be in the immediate vicinity of  
37 the drug compounding operation."

38 Section 2. This act shall become effective on June 1,  
39 2024.





SB15 Enrolled

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President and Presiding Officer of the Senate

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Speaker of the House of Representatives

SB15

Senate 27-Feb-24

I hereby certify that the within Act originated in and passed the Senate.

Patrick Harris,  
Secretary.

\_\_\_\_\_  
House of Representatives  
Passed: 19-Mar-24

\_\_\_\_\_  
By: Senator Beasley

APPROVED 4-4-2024  
TIME 10:00 AM  
  
\_\_\_\_\_  
GOVERNOR

Alabama Secretary Of State  
Act Num....: 2024-37  
Bill Num....: S-15  
Recv'd 04/04/24 10:42amKCW

PROJECT NO. \_\_\_\_\_  
Profile Date 1/11/24

SPONSOR

1 Pacey Beasley  
CO-SPONSORS

- 2 \_\_\_\_\_ 19 \_\_\_\_\_
- 3 \_\_\_\_\_ 20 \_\_\_\_\_
- 4 \_\_\_\_\_ 21 \_\_\_\_\_
- 5 \_\_\_\_\_ 22 \_\_\_\_\_
- 6 \_\_\_\_\_ 23 \_\_\_\_\_
- 7 \_\_\_\_\_ 24 \_\_\_\_\_
- 8 \_\_\_\_\_ 25 \_\_\_\_\_
- 9 \_\_\_\_\_ 26 \_\_\_\_\_
- 10 \_\_\_\_\_ 27 \_\_\_\_\_
- 11 \_\_\_\_\_ 28 \_\_\_\_\_
- 12 \_\_\_\_\_ 29 \_\_\_\_\_
- 13 \_\_\_\_\_ 30 \_\_\_\_\_
- 14 \_\_\_\_\_ 31 \_\_\_\_\_
- 15 \_\_\_\_\_ 32 \_\_\_\_\_
- 16 \_\_\_\_\_ 33 \_\_\_\_\_
- 17 \_\_\_\_\_ 34 \_\_\_\_\_
- 18 \_\_\_\_\_ 35 \_\_\_\_\_

SENATE ACTION

DATE: 2-6 2024  
RD 1 RFD HEALTH

I hereby certify that the notice & proof is attached to the Bill, SB \_\_\_\_\_ as required in the General Acts of Alabama, 1975 Act No. 919.

PATRICK HARRIS,  
Secretary

This Bill was referred to the Standing Committee of the Senate on Healthcare

and was acted upon by such Committee in session and is by order of the Committee returned therefrom with a favorable report

w/amd(s) \_\_\_\_\_ w/sub \_\_\_\_\_ w/eng sub \_\_\_\_\_  
yeas 12 nays 0 abstain 0  
this 21<sup>st</sup> day of February, 2024

\_\_\_\_\_, Chairperson

DATE: 2-21 2024  
RF FAV RD 2 CAL

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB 15.  
yeas 34 nays 0 abstain 0

PATRICK HARRIS,  
Secretary

DATE: 2-27-24 RD 3 at length  
PASSED  PASSED AS AMENDED

yeas 34 nays 0 abstain 0  
And was ordered sent forthwith to the House.

PATRICK HARRIS,  
Secretary

- FURTHER SENATE ACTION (OVER) -

HOUSE ACTION

DATE: 2-27 2024  
RD 1 RFD HEALTH

REPORT OF STANDING COMMITTEE

This bill having been referred by the House to its standing committee on

Health

was acted upon by such Committee in session, and returned therefrom to the House with the recommendation that it be Passed,

w/amd(s) \_\_\_\_\_ w/sub \_\_\_\_\_  
this 16<sup>th</sup> day of March, 2024

W. P. W. P., Chairperson

DATE: \_\_\_\_\_ 20\_\_\_\_  
RF \_\_\_\_\_ RD 2 CAL

DATE: \_\_\_\_\_ 20\_\_\_\_

RE-REFERRED  RE-COMMITTED

COMMITTEE \_\_\_\_\_

I hereby certify that the Resolution as required in Section C of Act No. 81-889 was adopted and is attached to the Bill, SB 15.  
YEAS 102 NAYS 0

JOHN TREADWELL,  
Clerk

- FURTHER HOUSE ACTION (OVER) -

## **Appendix III: Professional Services by Vendor**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b><u>Accounting Services</u></b>				
<i>Accounting &amp; Collections</i>				
QuickBooks	\$446.78	\$	\$	
Payroll & Benefit Solutions	5,336.35	5,741.17	6,014.96	6,098.93
The Driskell CPA Firm PC	34,314.64	36,455.93	36,499.70	40,560.16
<b>Total Accounting Services</b>	<b>40,097.77</b>	<b>42,197.10</b>	<b>42,514.66</b>	<b>46,659.09</b>
<b><u>Administrative Services</u></b>				
<i>Advertising</i>				
Alabama Media Group		594.00		
Alabama Pharmacy Association	6,000.00	11,150.00	1,400.00	10,100.00
Alabama Society of Health System Pharmacists	500.00	1,250.00		
4Imprint	348.90			
Amazon	15.94			
Mailchimp			1,485.00	
Multiview, Inc. Marketing			2,250.00	
<i>BOP Wellness Program</i>				
Michael C. Garver, DMD	84,800.04	84,800.04	89,566.67	90,000.00
<i>Housekeeping, Building, &amp; Grounds</i>				
Amazon			78.88	
Lowe's			529.71	
CDI Janitorial Services			975.00	
Cintas	3,364.22	3,652.13	2,600.48	2,733.13
Gentile Co. dba Jan-Pro	5,280.00			
OCD Cleaning Service, LLC		5,955.00	7,040.00	
<i>Miscellaneous Professional Services</i>				
Advanced Locksmith & Security			285.00	
Alabama Pharmacy Association			1,050.00	
Austin Morrison				400.00
Criticalpoint, LLC	60.00			
Flying Locksmiths			449.95	
CUI Security		324.60		
Election-America				1,250.00
MacMedia, Inc.		20,228.00		

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
Protec Recycling			95.00	
Sain Engineering Associates, Inc.	11,191.94			
Extra Space Storage			132.00	
On Time Moving & Delivery			460.00	
Westfall Psychiatric Service, PC			2,250.00	
<b><i>Photographic Services</i></b>				
Appear Photography	1,980.00			
Lynn Cummings Photography		1,135.00	975.00	1,325.00
<b><i>Postage</i></b>				
Certified Mail Envelopes, Inc.	3,071.85	500.00	5,500.00	
FP Mailing Solutions		891.58	3,415.74	16,005.10
Postage Post		15,000.00	10,000.00	
Postmaster	10,000.00			
USPS	2,000.00			
Val's Print & Copy Corner, Inc.	7,024.78			
Vance L. Alexander, PC		18.60	36.00	
<b>Total Administrative Services</b>	<b>135,637.67</b>	<b>145,498.95</b>	<b>130,574.43</b>	<b>121,813.23</b>

### **Consultant Services**

#### ***Legislative Consultants***

Legislative Services Agency	\$3,250.00	\$3,350.00	\$3,250.00	\$3,040.00
Southern Strategy Group of Alabama, LLC	74,250.00	75,000.00	68,750.00	81,250.00
<b>Total Consultant Services</b>	<b>77,500.00</b>	<b>78,350.00</b>	<b>72,000.00</b>	<b>84,290.00</b>

### **Data Processing Services**

#### ***Data Processing Software***

2Checkout.com, Inc.				2,500.00
Adobe		41.23	1,427.16	2,015.16
Amazon			94.90	
Best Buy	1,779.96			
Carbonite, Inc.				5,609.76
Certified Mail Envelopes, Inc.				500.00
DocuSign		300.00	300.00	600.00
Drop Box				314.34
Extra Space Storage			432.00	
GoDaddy.com		531.74		299.97
MacMedia, Inc.			288.00	

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
Mailchimp			1,265.00	4,260.00
MARCO Promos			4,087.10	
Microsoft				5,234.58
ODP Business Solutions				1,687.51
Office Depot	1,068.86			
Sign Up Genius			179.94	359.88
ConvergeOne				6,293.69
Dyvad Incorporated	3,978.00	4,333.00	5,055.25	
iGov Solutions	108,000.00	120,018.00	120,066.00	120,054.00
Multiview, Inc. Marketing		2,250.00		
Webex			224.02	
Verinext				27,787.95
<b>Total Data Processing Services</b>	<b>114,826.82</b>	<b>127,473.97</b>	<b>133,419.37</b>	<b>177,516.84</b>
<b><u>Legal Services</u></b>				
<i>Legal</i>				
Alabama Attorney General				530.25
Jennifer Muro Neumann, PC			117,832.30	228,333.28
Totherow, Haile, & Welch, PLLC		57.00		
Vance L. Alexander, PC		3,117.50		
Ward & Cooper, LLC	167,178.61	183,348.70	207,705.67	5,732.00
<i>Court Reporter Services</i>				
Verinext				322.50
Veritext Legal Solutions	18,922.40	24,698.58	28,171.23	28,320.10
<i>Hearing Officers</i>				
James F. Hampton	9,338.00	7,224.00	48,096.86	72,852.99
Vance L. Alexander, PC	42,990.30	42,490.10	13,978.00	
<b>Total Legal Services</b>	<b>238,429.31</b>	<b>260,935.88</b>	<b>415,784.06</b>	<b>336,091.12</b>
<b>Total Professional Services</b>	<b>\$606,491.57</b>	<b>\$654,455.90</b>	<b>\$794,292.52</b>	<b>\$766,370.28</b>

**Appendix IV: Board Members**

**ALABAMA  
BOARD OF PHARMACY**

Donna C. Yeatman, R.Ph.  
Executive Secretary

**Location:**

111 Village Street  
Birmingham, AL 35242

(205) 981-2280  
www.albop.com



**MEMBERS 2024**  
Christy Garmon, PharmD  
President

Gary Mount, PharmD  
Vice President

Thomas H. Cobb, PharmD  
Treasurer

Stacy Sharp Giles, R.Ph.

John J. Brooklere, R.Ph

May 28, 2024

Mr. Rodney Wagstaff  
Accounts Examiner III  
Examiners of Public Accounts  
401 Adams Avenue, Suite 280  
Montgomery, Alabama 36104

Mr. Wagstaff,

Please find below requested information for Item #2, Attachment A of the Sunset Audit Engagement Letter.

Name	Expiration of Term	City of Board Member
Christy Garmon	12/31/2024	Spanish Fort, AL
Gary Mount	12/31/2025	Auburn, AL
Thomas Cobb	12/31/2026	Dadeville, AL
Stacy Giles	12/31/2027	Auburn, AL
John Brooklere	12/31/2028	Mt. Olive, AL

Please let me know if you require anything further,

Donna C. Yeatman, R.Ph., CISC  
Executive Secretary

## Appendix V: Board's Response



### **ALABAMA STATE BOARD OF PHARMACY**

111 Village Street  
Birmingham, AL 35242

#### **ALABAMA STATE BOARD OF PHARMACY 2024 SIGNIFICANT ISSUES RESPONSE**

Thank you for the thorough and comprehensive audit, as the Alabama State Board of Pharmacy (“the Board”) always appreciates the opportunity to improve our processes. Please see below the requested responses.

**Significant Issue 2024-001: In fiscal year 2023, the Board’s financial records indicated a sharp decline (71%) in the amount of revenue collected for fines and penalties. This decline corresponded with a sharp increase (594%) in the amount of revenue being collected as miscellaneous income.**

#### **BOARD RESPONSE:**

The Board disagrees that this creates an inaccurate depiction. The Board began breaking out administrative costs from fines and penalties in FY 2023 as a more accurate presentation.

The Board understands the Examiners’ comment regarding the classification of revenues received by the Board. All revenues are captured in the financial statements as they always have been. Beginning FY 2023 the Board broke out administrative costs from Fines/Penalties to provide a more accurate classification of revenue. Receipts are classified as Fines/Penalties only after an administrative law judge has ruled as such. Administrative costs do not meet this requirement, and all administrative costs were accounted for and classified as miscellaneous income. Beginning FY 2025, the Board will create a new revenue code specifically to account for administrative costs.

---

**Significant Issue 2024-002: The Alabama Board of Pharmacy is entering into deferral agreements with licensees with administrative costs/fines being assessed in some instances at double the fine amount for a consent order.**

#### **BOARD RESPONSE:**

All deferral agreements are agreed upon by both parties and allow the Board to provide corrective action while not adding formal discipline on a license, permit, or registration. Administrative costs assessed by the Board are determined based upon the number of violations and complexity of review and follow-up.

This process has been in place for over 10 years. Over the last two years the Board administrative processes have been supervised by the Attorney General’s office. The AG has confirmed that this process is appropriate and no different than the courts’ utilization of diversion programs and/or traffic school.

**Significant Issue 2024-003: The Board is charging fine amounts that may exceed statutorily established fine amounts.**

**BOARD RESPONSE:**

The Board disagrees. The Code of Ala. §34-23-33 states disciplinary action may include administrative fines not to exceed \$1,000 per violation. Additionally, for manufacturer, bottler, repackager, etc. of drugs, the civil penalty for a violation shall be \$4,000 for each violation. The Board interprets each day a notification is delinquent and/or each time a shipment is made to be a violation. Over the last two years the Board administrative processes have been supervised by the Attorney General's office.

In pursuing our mission, the Board takes the duration of the violation into account when determining appropriate action. See examples below:

1. A compounding pharmacy providing contaminated IVs to patients for 3 days should be penalized less than one providing contaminated IVs for 90 days.
2. A manufacturer shipping 10 prescription medications to our state without a proper permit should be penalized less than one shipping 500 prescription medications.
3. A pharmacy committing \$65 worth of Medicaid fraud should be penalized less than a pharmacy who commits \$500,000 dollars' worth of Medicaid fraud.
4. A supervising pharmacist that fails to adequately supervise inventory and has diversion of 90 alprazolam tablets should be penalized less than a supervising pharmacist that fails to adequately supervise inventory and has diversion of 14,000 opioid tablets.

While all instances above are a violation, the extent of the violation should be weighed in determining penalties. The Board will consider the Examiners' review whether additional language in the Rules is necessary to clarify this issue.

---

**Significant Issue 2024-004: The Alabama Board of Pharmacy is executing Statements of Charges against applicants not yet licensed by the Board.**

**BOARD RESPONSE:**

The Alabama Administrative Procedure Act, as well as Board Statutes and Rules, lay out the process for statements of charges. Over the past two years, the Attorney General's office has approved the issuance of EVERY statement of charges the Board has executed. Exercising its authority under §36-15-21, the AG has the "authority to direct and control Board litigation." As such, the Board feels no further clarity to the authority to execute statement of charges is necessary.

Not every applicant with a criminal or disciplinary history receives a statement of charges. The five-member board directs Board staff and counsel as to which offenses require a statement of charges. The Board will take the Examiners' comments under advisement.



**Significant Issue 2024-005: The minutes of sixty Board meetings were reviewed. The minutes of fifty-three Board meetings did not reflect the official actions of the Board.**

**BOARD RESPONSE:**

In 2016, the Examiners recommended the Board change from a full transcript of Board meetings to an abbreviated version. During the 2020 audit, there was no finding relative to Board minutes. Regardless, the court reporter has been instructed to ensure all specific language related to Board actions be added to the abbreviated minutes to accurately reflect all actions taken by the Board.

---

**Significant Issue 2024-006: The Board did not post requisite notice of four meetings to the Secretary of State's website.**

**BOARD RESPONSE:**

The Board agrees with this finding. The Board appreciates the auditors for bringing this to our attention. The Board will create a checklist for scheduling Board meetings to ensure compliance.

---

**Significant Issue 2024-007: The Board did not comply with the Code of Alabama 1975, Section 34-23-90(f)(2) as it relates to Board members' oaths of office.**

**BOARD RESPONSE:**

The Board disagrees. Each year new Board members take their oath of office and provide the signed document to Board staff who mail to the Secretary of State via USPS. USPS does not provide proof of delivery. Future documents will be mailed to the Secretary of State requesting proof of delivery.

---

**Significant Issue 2024-008: The Board is charging fees for which a specified amount is not set by administrative rule as required by law.**

**BOARD RESPONSE:**

The Board disagrees that a specified amount is required. The Board has confirmed with the Legislative Services Agency that there is no legal issue with the current Rules. The Board will consider the Examiners' review whether additional language in the Rules is necessary to clarify this issue.

---

**Significant Issue 2024-009: The Board did not always deposit receipts in a timely manner.**

**BOARD RESPONSE:**

The Board agrees that it is best practice to immediately deposit checks; however, the Board often receives incomplete and/or incorrect applications including payment by check. The Board holds the check while the Board works with the applicant to receive the appropriate documentation. Once all application documents are received, the Board deposits the check. If the application is incomplete after 90 days, the check is returned with the incomplete application.

The Board is transitioning to a new software vendor on October 1, 2024, and all payments will be made electronically. In the future this will result in increased refunding of payments.

---

**Significant Issue 2024-010: During the examination period, the Board purchased two vehicles totaling \$79,349.84 and procured agency licensing certificates totaling \$77,628.61 without going through the process of getting sealed competitive bids, awarded to the lowest responsible bidder, or without using a current state contract.**

**BOARD RESPONSE:**

The Board had purchased agency vehicles from this particular dealership for many years. The invoices reflected "STATE BID" (Attachment 1). However, during the audit, the Examiners found that at the time of the purchase, the master agreement had expired. The Board was unaware at the time of purchase that the master agreement had expired as the dealership held itself out as a state contract provider. In the future the Board will verify master agreements before procurement.

The Board has used this specialized paper vendor (VPC) for 20 years without prior audit finding. This vendor has a vendor code with state procurement. As a result of this audit, we requested quotes from other vendors with the state. This vendor proved again to be the cheapest.

The Board began working with the Chief Procurement Officer in February of 2023 when we discovered our agency was required to move purchasing under state procurement.

---

**Significant Issue 2024-011: The Board has contracted with a vendor to provide vehicle management services for a period exceeding the maximum limit allowed by the Code of Alabama 1975, Section 41-16-27(e)(1). The contract has been in place since June 2009 with no changes, updates, or renewals.**

**BOARD RESPONSE:**

Just as in 2024-010, the Board had been utilizing this vendor for 15 years without any prior audit finding. Current Board staff was under the understanding that the Network card was a state program. It was not until we were confirming the master agreement for this audit that we learned that Network (affiliated with WEX) was not on the master agreement. With this new information, the Board immediately began working with Janet Parker at WEX and Kerri Hines and Bryan Matthews at State Procurement to move to a master agreement. The Board is now under contract pursuant to the WEX master agreement.

---

**Significant Issue 2024-012: The Board paid a total of \$32,328.40 to a vendor providing administrative hearing officer services.** The invoices submitted did not contain the exact dates the services were performed. The Board is responsible for ensuring invoices are accurate and fully itemized to ensure payments are only made for services performed and received.

**BOARD RESPONSE:**

The Board utilized the same Administrative Law Judge (ALJ) for 25 years without any prior audit finding. During those 25 years, invoices were submitted with specific time data for specific actions, which the Board considered to be accurate and itemized. However, the Board understands the Examiners' position and the current ALJ form complies with the Examiners' recommendation.

**Significant Issue 2024-013: The review of Board payments to vendors for contracted services disclosed discrepancies.**

**BOARD RESPONSE:**

The Board agrees. Going forward, all contracts will be monitored monthly both in-house and by the contracted accountant to ensure no spending outside contract parameters and all invoice calculations will be verified.

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**Significant Issue 2024-014: According to the Chief Procurement Officer (CPO) of the Alabama Department of Finance, Division of Procurement the Board did not request a temporary procurement delegation for the purchase of supplies and/or services until February 2023, four months after the new procurement law became effective on October 1, 2022. As a result, supplies and services were procured without authorization from the Chief Procurement Officer.**

**BOARD RESPONSE:**

The Board was unaware of the requirement for the Board to utilize State Procurement until January of 2023. As soon as the Board was made aware, the Board immediately reached out to the Chief Procurement Officer. The Chief Procurement Officer issued to the Board delegations relieving the Board, within certain limitations, of the Procurement system from October 1, 2022, through September 30, 2024. The Board is currently working to comply with all aspects of the Procurements system.

---

**Significant Issue 2024-015: Eighteen of the thirty-two (56%) pharmacists, eight of the thirty one (26%) community pharmacies, and seven of the twenty-eight (25%) non-resident pharmacies responding to our survey have a negative perception of the Alabama State Board of Pharmacy.**

**BOARD RESPONSE:**

As a regulatory body, the Board is charged with enforcing the Statutes and Rules of the Pharmacy Practice Act. Unfortunately, in fulfilling that charge, not everyone has a positive perception of the Board, but we feel the overwhelming majority do.

The Board routinely receives compliments for their openness, cooperation and partnership. The Board feels it is important to note the number of responses received. The Board licenses over 10,500 pharmacists, 700 community pharmacies, and 650 non-resident pharmacies. Given these populations, this sample is only a representation of 0.3% of pharmacists and 4% of pharmacies.

Our Board members and staff have spoken at countless conferences, summits, schools, and other venues both in-state and out-of-state. The Board's Executive Secretary, Chief Investigator and three additional investigators were proud to provide sworn testimony in the State's Opioid litigation, the result of which brought settlements to the State amounting to over \$728 million.

**Significant Issue 2024-016: Six of the seven (86%) pharmacy technicians, sixteen of the thirty-four (47%) institutional pharmacies, two of the six (33%) interns-externs, and seven of the thirty-two (22%) pharmacists responding to our survey consider workload, staffing, and pay as the most significant issue facing their profession.**

**BOARD RESPONSE:**

The Board's primary concern is to protect the citizens of Alabama. The profession of pharmacy is constantly changing at a rapid pace and the Board is aware of these issues facing the profession.

To address these concerns, the Board has done the following:

- Quarterly meetings with pharmacy schools to address issues
- Presentations at high schools to increase awareness of the practice of pharmacy
- Statute change to allow remote work for pharmacists
- Statute and Rule change to allow for increase in technician ratio
- Rule change to allow technicians to provide immunizations
- Numerous workgroups with licensees to hear concerns
- Approve Collaborative Practice Agreements with the Alabama Board of Medical Examiners that increase access to care

---

**Significant Issue 2024-017: Thirteen of the thirty-two (41%) pharmacists, four of the eight (50%) chain pharmacies, nine of the thirty-one (29%) community pharmacies, and six of the twenty-eight (21%) non-resident pharmacies responding to our survey consider pharmacy benefit managers (PBMs) as the most significant issue facing their profession.**

**BOARD RESPONSE:**

Pharmacy benefit managers (PBMs) are under the authority of the Alabama Department of Insurance (DOI). The Board has been in communication with DOI and will continue to work with DOI to ensure access to care for all Alabama citizens. The Alabama Board of Pharmacy has no authority over PBMs as §34-23-30 states:

*(c) Nothing contained in this section related to pharmacy services permits shall be interpreted to delegate to the board the authority to adopt rules governing pharmacy benefit managers.*

**Significant Issue 2024-018: Twenty-two of the thirty-two (69%) pharmacists, four of the six (67%) pharmacy service providers, and four of the eight (50%) chain pharmacies responding to our survey indicated they think the Board’s laws, rules, or policies are an unnecessary restriction on the practice of their profession.**

**BOARD RESPONSE:**

As a regulatory body, the Board is charged with enforcing the Statutes and Rules of the Pharmacy Practice Act. Unfortunately, in fulfilling that charge, not everyone has a positive opinion of the Board, but we feel the overwhelming majority do.

The Board routinely receives compliments for their openness and progressive leadership. The Board feels it is important to note the number of responses received. The Board licenses over 10,500 pharmacists and 570 chain pharmacies. Given these populations, this sample is only a representation of 0.3% of pharmacists and 0.01% of chain pharmacies.

The Board has lessened restrictions in a number of areas, including:

- Statute change to allow remote work for pharmacists
- Statute and Rule change to allow for increase in technician ratio
- Rule change to allow technicians to provide immunizations
- Rule change to allow expanded authority to provide emergency refills
- Rule change to lessen restrictions for use of automated dispensing systems
- Rule change to allow for emergency department dispensing of medications due to lack of 24-hour pharmacies
- Waiver of licensing fees for spouses of active-duty military
- Approval of virtual verification
- Issuance of temporary pharmacist permits during COVID
- Removal of reciprocity licensing requirement of other state licenses

For the 2025 legislative session, the Board has also approved changes to statutory language to increase technician duties and to remove the requirement of a pharmacist for manufacturers.

**Significant Issue 2024-019: Sixteen of the thirty-two (50%) pharmacists and three of the six (50%) intern-externs responding to our survey indicated they are not adequately informed by the Board of changes to and interpretations of the Board's positions, policies, rules, and laws.**

**BOARD RESPONSE:**

As a regulatory body, the Board is charged with enforcing the Statutes and Rules of the Pharmacy Practice Act. Unfortunately, in fulfilling that charge, not everyone has a positive opinion of the Board, but we feel the overwhelming majority do.

The Board routinely receives compliments for their communication. The Board feels it is important to note the number of responses received. The Board licenses over 10,500 pharmacists and 975 intern/externs. Given these populations, this sample is only a representation of 0.3% of pharmacists and 0.6% of intern/externs.

The Board communicates via many outlets:

- All Board meetings are available in-person and virtually. Attendees can obtain CE credit for attending.
- Approximately 66% of pharmacists subscribe to monthly emails which include executive secretary reports, notifications of nearby robberies/burglaries, law/rule/policy updates, renewal reminders, etc.
- Anyone interested may subscribe to our email list at any time by visiting our website.
- Anyone interested may also subscribe to a quarterly newsletter on our website.
- Our website is updated at least weekly.
- Our Facebook page is updated at least every other week.
- When a Rule is updated, **all** licensees are emailed 10 days before the effective date.
- The Board provides at least 6 CE presentations per year through state association meetings or schools of pharmacy to review regulation updates.

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**Significant Issue 2024-020: Five of the nine (56%) complainants responding to our survey indicated they were not satisfied with the Board's handling of their complaints.**

**BOARD RESPONSE:**

The Board received 1,017 consumer complaints during the audit period with 9 questionnaires received (0.009%). The Board endeavors to satisfy every complainant but this is not always possible. As stated in the Examiners' report the Board notified all complainants of the resolution of their complaints.

**Prior Finding 2019-003:** The Board did not maintain adequate annual/sick leave records for its employees. Time and attendance records were reviewed for all twenty-two employees. Nineteen of the employees annual and sick leave records contained the following errors:

- Six employees' annual leave balances were overstated by two to sixteen hours.
- Six employees' annual leave balances were understated by one to seventeen hours
- Eight employees' sick leave balances were overstated by two to 177 hours.
- Eight employees' sick leave balances were understated by two to fifty-seven hours.

**Current Status:** A newly hired 80% part-time employee accrued annual leave at a rate that exceeded the Board approved accrual rate for employees during the first year of employment. The employee accrued annual leave at a rate of 8 hours each month instead of 3 hours 12 minutes each month. The error in the annual leave accrual rate resulted in the employee having an overstated annual leave balance. Subsequently, the Board paid the employee for the overstated annual leave balance upon separating from the agency. This employee was notified of the overpayment and the amount was repaid to the Board prior to the conclusion of the Sunset review.

**BOARD RESPONSE:**

During this audit period, the Board agrees an error was made when setting up one new employee by the Board's payroll company. This was addressed with the payroll company and the employee paid back \$1,411.78 as verbally instructed by the Examiners.

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**Prior Finding 2019-005:** The Board did not pay an employee the correct amount for annual/sick hours upon separating from the agency. The employee was paid for one-half of the annual leave hours and all the sick leave hours resulting in an overpayment of \$12,582.59. This amount is reflected as a charge against a former employee.

**Current Status:** The Board paid an employee an incorrect amount for annual leave hours upon separating from the agency. The employee's annual leave balance was overstated upon separation due to accruing annual leave at an incorrect rate during the first year of employment. The employee was compensated for 47 hours of annual leave when the actual annual leave balance was 0 hours resulting in an overpayment of \$1,151.97. This employee was notified of the overpayment and the amount was repaid to the Board prior to the conclusion of the Sunset review.

**BOARD RESPONSE:**

As addressed above, during this audit period, the Board agrees an error was made when setting up one new employee by the Board's payroll company. This was addressed with the payroll company and the employee paid back \$1,411.78 as verbally instructed by the Examiners.

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**Prior Finding 2019-010:** During the examination period, the Board paid \$4,309.50 in sales tax for items purchased, although state agencies are made exempt by State law from sales tax payment.

**Current Status:** During the examination period, the Board paid \$263.42 in sales tax for items purchased, although state agencies are made exempt by State law from payment of sales tax.

**BOARD RESPONSE:**

The Board agrees with this finding. The Board has added another review of all invoices to address this finding.

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**Prior Finding 2019-012:** The Board did not notify the Secretary of State of vacancies occurring as a result of the expiration of the terms of three board members at least 45 days before the terms expired. The Board did not notify the Secretary of State within 15 days of a vacancy occurring as a result of a board member's resignation.

**Current Status:** The Board did not notify the Secretary of State a vacancy occurring as a result of the expiration of a Board member's term that expired on December 31, 2020.

**BOARD RESPONSE:**

The Board agrees with the finding. With the change to the Secretary of State's website, we anticipate no further issues.

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**Prior Finding 2016-002:** The Board did not pay two employees the correct amount for longevity payments in fiscal year 2015. One employee was underpaid \$100, and another employee was underpaid \$225.00. When notified of the discrepancies, the Board reimbursed the employees for the underpayments.

**Current Status:** The Board did not pay an employee the correct amount for longevity payment for 20 years of State service in fiscal year 2021. The employee received \$800.00 instead of \$900.00, resulting in an underpayment of \$100.00. When notified of the discrepancy, the Board reimbursed the employee for the underpayment.

**BOARD RESPONSE:**

During this audit period, the Board had one employee with an incorrect hire date which has been corrected.

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**Prior Finding 2014-003:** Board contracts for professional services for accounting services, legislative consultation services, inspector/investigator training, etc. were missing documentation of compliance with Alabama law as follows:

1. The Board could not provide documentation that the contracts were awarded based on either a Request for Proposal (RFP) or a 'Sole Source' determination.
2. Disclosure statements were not provided.
3. Neither was documentation of the vendor's compliance with the Alabama Immigration Act (E-Verify enrollment) provided for any of the contracts.

**Current Status:** The Board's non-professional services contract for janitorial services was missing documentation of compliance with Alabama law. The contract did not contain the E-Verify Memorandum of Understanding.

**BOARD RESPONSE:**

During COVID, one vendor was verified to have been utilizing E-Verify (Attachment 2) but the physical pages of the E-Verify form were not retained.



# ATTACHMENT 1

FLEET QUOTE

Opelika Ford Chrysler Dodge Jeep Ram  
 801 Columbus Parkway  
 Opelika , Alabama 36801  
 FAX-334-749-4051

Quote No

QUOTE PAGE 1 OF 1

Fleet Manager Butch Adkins Cell 1-706-315-7796 Office 1-334-749-8113

EMAIL - butchadkins57@aol.com

2020 DODGE DURANGO SSV

CUSTOMER EDDIE BRADEN

NAME ALABAMA STATE BOARD OF PHARMACY

ADDRESS 111 VILLAGE ST

CITY BIRMINGHAM,AL 35242

PHONE 205-533-4259

FAX

MISC	
DATE	10/22/19
ORDER NO	
REP	
FOB	

QTY	STATE BID T191L LINE #2	UNIT PRICE	TOTAL
1	2020 DODGE DURANGO SSV RWD 3.6L V6 24V VVT ENGINE,8-SPEED AUTO 845RE TRANS,3.45 REAR AXLE 5.0 TOUCHSCREE,BLUETOOTH STREAMING AUDIO,POWER LOCKS WINDOWS,MIRRORS,TILT,CRUISE,UCONNECT AM,FM,KEYLESS GO FLOOR CARPET,FULL LENGTH FLOOR CONSOLE,4 WHEEL DISC HD 2ND ROW 60/40 FOLDING SEAT,HEAVY DUTY ENG COOLING AVAILABLE OPTIONS BLACKTOP PKG UP-GRADE TO GT PACKAGE PREMIUM PKG SINGLE DISC REMOTE CD PLAYER CUSTOM FIT FLOOR MATS ( FRONT ONLY \$199.00 VENT VISORS ALL 4 DOORS REAR CARGO MAT CUSTOM FIT WHITE IN COLOR	\$23,939.17	\$23,939.17
		\$975.00	\$975.00
		\$7,823.00	\$7,823.00
		\$2,221.00	\$2,221.00
		\$441.00	\$441.00
		\$359.00	\$359.00
		\$129.00	\$129.00
		\$189.00	\$189.00
		<b>SUB TOTAL</b>	<b>\$36,076.17</b>
		<b>SHIPPING</b>	
		<b>TOTAL</b>	

COLORS - BILLET SILVER,BRIGHT WHITE,BRILLIANT  
 BLACK CRYSTAL PEARL,GRANITE CRYSTAL MET.

NEED COPY OF INSURANCE CARD

CUTOFF DATE:

LIGHTS AVAILABLE PER ATTACHED SHEET, ALSO RADIOS,  
 RADAR & CAMERA'S AVAILABLE PER INDIVIDUAL QUOTES

FLEET QUOTE

Opelika Ford Chrysler Dodge Jeep Ram  
 801 Columbus Parkway  
 Opelika, Alabama 36801  
 FAX-334-749-4051

Quote No

QUOTE PAGE 1 OF 1

Fleet Manager Butch Adkins Cell 1-706-315-7796 Office 1-334-749-8113

EMAIL - butchadkins57@aol.com

2020 DODGE DURANGO SSV

CUSTOMER EDDIE BRADEN

NAME ALABAMA STATE BOARD OF PHARMACY

ADDRESS 111 VILLAGE ST

CITY BIRMINGHAM,AL 35242

PHONE 205-533-4259

FAX

MISC	
DATE	10/25/19
ORDER NO	
REP	
FOB	

QTY	STATE BID T191L LINE #2	UNIT PRICE	TOTAL
1	2020 DODGE DURANGO SSV RWD 3.6L V6 24V VVT ENGINE,8-SPEED AUTO 845RE TRANS,3.45 REAR AXLE 5.0 TOUCHSCREE,BLUETOOTH STREAMING AUDIO,POWER LOCKS WINDOWS,MIRRORS,TILT,CRUISE,UCONNECT AM,FM,KEYLESS GO FLOOR CARPET,FULL LENGTH FLOOR CONSOLE,4 WHEEL DISC HD 2ND ROW 60/40 FOLDING SEAT,HEAVY DUTY ENG COOLING AVAILABLE OPTIONS BLACKTOP PKG UP-GRADE TO GT PACKAGE PREMIUM PKG SINGLE DISC REMOTE CD PLAYER CUSTOM FIT FLOOR MATS ( FRONT ONLY \$199.00 VENT VISORS ALL 4 DOORS REAR CARGO MAT CUSTOM FIT BILLET SILVER IN COLOR	\$23,939.17	\$23,939.17
		\$975.00	\$975.00
		\$7,823.00	\$7,823.00
		\$2,221.00	\$2,221.00
		\$441.00	\$441.00
		\$359.00	\$359.00
		\$129.00	\$129.00
		\$189.00	\$189.00
		<b>SUB TOTAL</b>	\$36,076.17
		<b>Emergency</b>	PLUS
		<b>Equipment</b>	\$2,672.08
		<b>TOTAL</b>	EQUALS \$38,748.25

COLORS - BILLET SILVER,BRIGHT WHITE,BRILLIANT  
 BLACK CRYSTAL PEARL,GRANITE CRYSTAL MET.

NEED COPY OF INSURANCE CARD

CUTOFF DATE:

LIGHTS AVAILABLE PER ATTACHED SHEET, ALSO RADIOS,  
 RADAR & CAMERA'S AVAILABLE PER INDIVIDUAL QUOTES

# ATTACHMENT 2

MENU

# How To Find Participating Employers

Use the E-Verify search tool to find employers who are currently enrolled in E-Verify. Your search will display the following information:

- **Employer name** – The name the employer used when they enrolled in E-Verify. This can be the business’ legal name, a trade name, or an abbreviation.
- **Doing Business As (DBA) name** – The name an employer uses publicly. The public may see the DBA, but the employer may have used another name when they enrolled in E-Verify.
- **Account Status** – Indicates whether the account is currently enrolled or terminated.
- **Enrollment date** – The date the E-Verify Memorandum of Understanding is signed.
- **Termination Date** – The E-Verify Memorandum of Understanding termination date.
- **Workforce size** – Appears as long as the employer reported they have at least five employees.
- **Number of hiring sites** – The locations where employers hire employees and where they complete Form I-9.
- **Hiring site locations (by state)** – The geographic location(s) of hiring sites, by state, reported by the employer.

## Parameters:

- USCIS updates the search tool data every quarter. However, employer status may be updated as needed.
- Employers report their own data at the time they enroll in E-Verify. The accuracy and completeness of the data depend on what was submitted by employers at the time of enrollment and as reported throughout the employer’s relationship with E-Verify.
- [Review Employer Data Parameters](#)

# Participating Employers

Search

**Filter** —

Business Name

Primary Industry Type

ACCOMMODATION AND FOOD SERVICES (72)

ADMINISTRATIVE AND SUPPORT AND WASTE MANAGEMENT AND REMEDIATION SERVICES (56)

AGRICULTURE, FORESTRY, FISHING AND HUNTING (11)

ARTS, ENTERTAINMENT, AND RECREATION (71)

CONSTRUCTION (23)

EDUCATIONAL SERVICES (61)

Hiring Site Locations (by state)

Account Status

Items per page

- Any -

10

- Alabama
- Alaska
- American Samoa
- Arizona
- Arkansas

SEARCH

RESET

Employer	Doing Business As	Account Status	Date Enrolled	Date Terminated	Workforce Size	Number of Hiring Sites	Hiring Site Locations (by state)
OCD Cleaning Services, LLC		Open	12/19/2013		5 to 9	1	AL

Showing 1 to 1 of 1 entries.

Enrolling In E-Verify Is Easy! Want To Learn More?

**Keywords**

[E-Verify search tool](#) [E-Verify participating employers](#) [Data](#)

Last Updated Date: 03/31/2024