

## **BILL ANALYSIS**

Senate Research Center  
76R10026 KEL-D

C.S.S.B. 931  
By: Madla  
Health Services  
3/24/1999  
Committee Report (Substituted)

### **DIGEST**

Currently, there is an extreme shortage of pharmacists in Texas, and across the nation. There are limited federal dollars available to fund hospital pharmacy residency programs. However, the pharmacy residency program alone will not solve the pharmacist shortage, because the program only funds programs in hospitals. C.S.S.B. 931 establishes the Roberta High Memorial Pharmacy Residency Program, with partial funding to be used from the Texas State Board of Pharmacy's account within the General Revenue Fund of the State of Texas.

### **PURPOSE**

As proposed, C.S.S.B. 931 establishes the Roberta High Memorial Pharmacy Residency Program to alleviate the shortage of pharmacists.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 61, Education Code, by adding Subchapter T, as follows:

#### **SUBCHAPTER T. ROBERTA HIGH MEMORIAL PHARMACY RESIDENCY PROGRAM**

Sec. 61.851. DEFINITIONS. Defines "college of pharmacy," "community pharmacy," "compensation," "institutional pharmacy," "nuclear pharmacy," "pharmacy residency program," "primary teaching pharmacy," "residency preceptor," and "resident pharmacist."

Sec. 61.852. COMPENSATION OF RESIDENT PHARMACIST. Requires a college of pharmacy to compensate each resident pharmacist being educated, trained, developed, and prepared for a career in pharmacy while the person is undergoing education, training, development, and preparation at or under the direction and supervision of the college.

Sec. 61.853. NUMBER OF AVAILABLE RESIDENT PHARMACIST POSITIONS. Prohibits the total number of compensated first-year resident pharmacists from exceeding the total number of persons in the preceding year's combined graduating classes of all colleges of pharmacy, in each year. Requires at least 50 percent of the combined total number of resident pharmacist positions to be in community pharmacy practice.

Sec. 61.854. PREFERENCE TO APPLICANT FOR PRACTICE IN MEDICALLY UNDERSERVED AREAS. Requires each college of pharmacy to give priority consideration to an applicant for a resident pharmacist position who demonstrates a willingness to practice pharmacy in medically underserved areas of this state, as defined by the Texas Department of Health.

Sec. 61.855. DURATION OF PHARMACIST RESIDENCY. Prohibits a person from holding a resident pharmacist position for more than two years, or for a period longer than the period usually required for a resident pharmacist to complete a graduate pharmacy education program approved by the Texas State Board of Pharmacy for the specialty in which the resident pharmacist seeks certification.

Sec. 61.856. PROGRAM FUNDING. Authorizes the legislature to appropriate revenue to the Texas Higher Education Coordinating Board (board) to fund the pharmacy residency program. Prohibits funds appropriated and distributed under this subchapter from being transferred or diverted from the pharmacy residency program. Requires the comptroller to issue a warrant to a college of pharmacy or other entity designated by the board to receive funds under this subchapter from program funds.

Sec. 61.857. STATE SUPPORT OF RESIDENT PHARMACIST COMPENSATION. Authorizes the board to provide grants to colleges of pharmacy in amounts not to exceed \$10,000 in a fiscal year for each resident pharmacist position approved by the board and filled by the applicable college for that year to supplement the compensation of resident pharmacists. Authorizes a college of pharmacy to receive funds under this section for a resident pharmacist position in any year, only if the college and the primary teaching pharmacy each contribute at least \$10,000 toward the compensation of the resident pharmacist for that year. Requires the college of pharmacy to reduce proportionately the compensation paid to the person to cover only the part of the fiscal year during which the person performed duties as a resident pharmacist, if a resident pharmacist does not perform in that capacity during an entire fiscal year. Requires the college of pharmacy to reduce the compensation that would otherwise be paid to the person by an amount equal to the amount of the compensation received from the agency or institution, if a person is compensated by an agency or institution of the federal government or by any other agency or institution, other than a primary teaching pharmacy, for the person's performance as a resident pharmacist. Provides that the compensation that may be paid to the resident pharmacist from funds awarded for that position under this section is reduced by the amount received from the other agency or institution, if the college receives from an agency or institution of the federal government or from any other agency or institution, other than a primary teaching pharmacy, compensation for a person's performance of duties as a resident pharmacist to or for the benefit of the agency or institution. Requires a resident pharmacist to enroll for at least nine semester credit hours each fall and spring semester and for at least six semester credit hours each summer term in graduate pharmacy education experiential courses to qualify for supplemental compensation provided under this section. Provides that the resident pharmacist is exempt from fees required for enrollment, other than tuition.

Sec. 61.858. PLACEMENT OF RESIDENT PHARMACISTS IF FULL FUNDING NOT AVAILABLE. Authorizes the college to assign and place for education and training a resident pharmacist who cannot be supported adequately with available funds in primary teaching pharmacy with which the college has a resident pharmacist affiliation agreement, if a college of pharmacy determines that it does not have sufficient available funds from legislative appropriations and other sources to support adequately the full number of resident pharmacists that the college considers necessary to carry out the purposes of the college. Requires the resident pharmacist to receive compensation primarily from the pharmacy, during the period for which a resident pharmacist is assigned and placed in a primary teaching pharmacy under this section. Requires a resident pharmacist affiliation agreement between the college of pharmacy and the primary teaching pharmacy to describe the exact method and manner of compensating the resident pharmacist.

Sec. 61.859. ADDITIONAL FUNDING TO SUPPORT GRADUATE PHARMACY EDUCATION PROGRAMS. Requires the board to administer a program to support graduate pharmacy education programs in this state consistent with the needs of this state for graduate pharmacy education and the training of resident pharmacists in appropriate fields and specialties. Authorizes the board to make grants or formula distributions to certain programs of a college of pharmacy or other entity from funds available to the program. Requires a college of pharmacy or other entity to incur the costs of faculty education or supervision in a graduate pharmacy education program to be eligible for a grant or distribution under this section. Requires the board to take those incurred costs into account in making grants or formula distributions under this section. Provides that the program is funded by appropriations, by gifts, grants, and donations made to support the program, and by any other funds the board obtains for the program, including federal funds. Authorizes an amount granted or distributed to a college of pharmacy or other entity under the program to be used only to cover expenses of training resident pharmacists participating in the particular program or activity for which the grant or distribution is made in accordance with any conditions imposed by the board. Prohibits the amount from being spent for the general support of the college or other entity.

Sec. 61.860. ADVISORY COMMITTEE. Requires the board to establish an advisory committee to advise the board regarding the development and administration of the pharmacy residency program. Sets forth members of the advisory committee. Requires two members to be active in community pharmacy practice, and two to be active in hospital pharmacy practice, of the pharmacist members in private practice. Provides that the appointed voting members of the advisory committee serve staggered three-year terms. Requires the Texas State Board of Medical Examiners (TBME) to appoint the initial member appointed under Subsection (b)(2) to a three-year term. Requires the board to appoint the initial members appointed under Subsection (b)(4) to terms of one, two, or three years as necessary so that one-third of the appointed committee members' terms expire each year, as nearly as practicable. Requires the advisory committee to elect one of its members as presiding officer for a one-year term. Requires the advisory committee to meet at least once each year and as often as requested by the board or called into meeting by the committee's presiding officer. Prohibits a member of the advisory committee from receiving compensation for committee service, but may receive reimbursement for travel to official meetings according to policies established by the board.

Sec. 61.861. DUTIES OF ADVISORY COMMITTEE. Sets forth duties of the advisory committee's review of recommendations for applications for funding.

Sec. 61.862. New heading: APPLICATION BY COLLEGE OF PHARMACY FOR FUNDING. Requires a college of pharmacy to include certain information in an application for funds under this subchapter.

Sec. 61.863. New heading: FUNDING OF RESIDENCY PRECEPTOR POSITIONS. Authorizes a college of pharmacy to apply and receive a grant under this section to support full-time faculty members who are residency preceptors supervising accredited pharmacy residencies. Requires the advisory committee to recommend to the board an allocation of residency preceptor positions that are to receive funds under this section. Requires allocation of funds under this section to take into account certain factors. Requires the board to continue to grant funds to support that position for a period not to exceed one additional calendar year, once funds are granted to support a residency preceptor position affiliated with a college of pharmacy. Requires the college to provide an amount equal to the annualized amount of the grant in its operating budget to maintain the level of compensation for the position for two years after the grant period has ended, after that time. Authorizes the board to use no more than 10 percent of the total amount appropriated for the pharmacy residency program under this subchapter to fund residency preceptor positions under this section. Authorizes the board to solicit, receive, and spend grants, gifts, and donations from public and private sources for purposes of this section.

SECTION 2. Amends Section 17(a), Article 4542a-1, V.T.C.S., to provide that the board is responsible for the regulation of the practice of pharmacy in this state, including the determination and issuance of standards for recognizing and approving a pharmacy residency program for purposes of Chapter 61T, Education Code.

SECTION 3. (a) Requires the comptroller to transfer \$850,000 from the State Board of Pharmacy fund account to the undedicated portion of the general revenue fund on the effective date of this Act.

(b) Authorizes the legislature to appropriate funds transferred under Subsection (a) of this section only for the pharmacy residency program established under Chapter 61T, Education Code, as added by this Act.

SECTION 4. Effective date: September 1, 1999.

SECTION 5. Emergency clause.

## **SUMMARY OF COMMITTEE CHANGES**

SECTION 1.

Amends Section 61.851, Education Code, to define "college of pharmacy" and "residency

preceptor,” and to redefine “community pharmacy,” “institutional pharmacy,” “nuclear pharmacy,” “pharmacy residency program,” and “resident pharmacist.” Deletes definitions of “faculty preceptor” and “school of pharmacy.”

Amends Section 61.852, Education Code, to require a college of pharmacy, rather than school of pharmacy, to compensate each resident pharmacist being educated, trained, developed, and prepared for a career in pharmacy while the person is undergoing education, training, development, and preparation at or under the direction and supervision of the college.

Amends Section 61.853, Education Code, to prohibit the total number of compensated first-year resident pharmacists from exceeding the total number of persons in the preceding year’s combined graduating classes of all colleges of pharmacy, in each year. Deletes text regarding 50 percent of the total number of persons.

Amends Sections 61.854, 61.856, 61.857, 61.858, and 61.859, Education Code, to make conforming changes.

Amends Section 61.860, Education Code, to require the board to establish an advisory committee to advise the board regarding the development and administration of the pharmacy residency program. Provides that the advisory committee consists of a physician serving as a program director of a health-related residency program appointed by the TBME. Provides that the appointed voting members of the advisory committee serve staggered three-year terms. Requires TBME to appoint the initial member appointed under Subsection (b)(2) to a three-year term. Requires the board to appoint the initial members appointed under Subsection (b)(4) to terms of one, two, or three years so that one-third of the appointed committee members’ terms expire each year. Makes a conforming change.

Amends Section 61.861, Education Code, to require the advisory committee to review applications for the funding of residency, rather than faculty, preceptor positions. Makes a conforming change.

Amends Section 61.862, Education Code, to make conforming changes.

Amends Section 61.863, Education Code, to authorize a college of pharmacy to apply and receive a grant under this section to support full-time faculty members who are residency preceptors supervising accredited pharmacy residencies. Deletes text regarding affiliated faculty preceptors. Makes conforming changes.

## SECTION 2.

Adds Section 17(a), Article 4542a-1, V.T.C.S., to reinstate text regarding the regulation of the practice of pharmacy in this state. Provides that the board is responsible for the regulation of the practice of pharmacy in this state and the determination and issuance of standards for recognizing and approving a pharmacy residency program for purposes of Chapter 61T, Education Code. Makes a conforming and nonsubstantive changes. Redesignates existing SECTIONS 2, 3, and 4 as SECTIONS 3, 4, and 5.