

OFFICE OF PROFESSIONAL LICENSURE AND CERTIFICATION
STATE OF NEW HAMPSHIRE
DIVISION OF ADMINISTRATION

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LOUISE LAVERTU
Executive Director

KIRA HAGEMAN
Director of Administration



January 6, 2015

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

The Office of Professional Licensure and Certification (OPLC), pursuant to the provisions of Adm 611.08 (g), respectfully requests to increase its fleet by one vehicle. This additional vehicle will be assigned to the Division of Health Professions, Board of Pharmacy for inspections.

EXPLANATION

OPLC operates and maintains a fleet of 8 passenger vehicles. Of the total vehicles, 2 vehicles are considered pool vehicles and are used by Compliance Investigators/Inspectors within the Division of Health Professions, Board of Pharmacy.

In the wake of the nationwide fungal meningitis outbreak caused by poor pharmacy compounding practices at a mail-order pharmacy in Massachusetts in 2012, Boards of Pharmacy across the country have increased inspections of these sterile compounding pharmacies. The medications compounded at this Massachusetts mail-order pharmacy were shipped to 23 states (including NH) and sickened over 800 individuals and resulted in the death of 64 people. NH added inspectional staff in the hopes of preventing a similar tragedy from occurring in a NH based pharmacy.

During a 2014 performance audit of the Board of Pharmacy by the Legislative Budget Assistant (LBA), it was noted that it was of critical importance that the Board of Pharmacy increased its inspectional activities to ensure the safety of compounding pharmacies in New Hampshire in the wake of the exponential growth of compounding pharmacies in the country and the increase sterility concerns of these pharmacies in the wake of the nationwide fungal meningitis outbreak noted above.

Currently we have 4 pharmacy inspectors sharing the 2 pooled vehicles. With the addition of 1 vehicle to our fleet pool, we will be able to complete more inspections by keeping inspectors on the road more often. The savings offset by not having to reimburse inspectors for use of their personal vehicle will more than offset the added fleet cost (savings from not paying mileage for additional inspector to be performing pharmacy inspections in their personal vehicle) is estimated to be at least \$8,625 (15,000 average miles per year for pharmacy inspections in personal vehicle at 57.5 cents per mile reimbursement rate). This is a significant savings over the \$2,500 total in annual costs to add this proposed fleet vehicle (including operating costs per year and actual cost of vehicle being requested [\$15,596] averaged per year over the 7 years of expected vehicle service life with this agency). Due to the ever increasing amount of inspections for which the Board of Pharmacy is responsible, it will certainly be able to meet the minimum mileage requirement of greater than 9,000 miles per fiscal year for a fleet vehicle as each of its fleet vehicles averages over 15,000 miles per year.

Respectfully submitted,

A handwritten signature in black ink that reads "Kira Hageman". The signature is written in a cursive, flowing style.

Kira Hageman
Director of Administration