

FISCAL NOTE

STATE OF ALASKA
2006 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: _____
 () Publish Date: _____
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction): _____

Title PLACE PHARMACISTS IN THE EXEMPT SERVICE
 RDU Behavioral Health
 Component Alaska Psychiatric Institute

Sponsor HOUSE (RLS) BY REQUEST
 Requester HOUSE (STA)

Component No. 311

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services	20.0	20.0	20.0	20.0	20.0	20.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	20.0	20.0	20.0	20.0	20.0	20.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES (0)						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1037 GF/Mental Health	20.0	20.0	20.0	20.0	20.0	20.0
Other()						
Other(Specify Type-do not abbreviate)						
TOTAL	20.0	20.0	20.0	20.0	20.0	20.0

Estimate of any current year (FY2006) cost: _____
 Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill would change currently classified Pharmacist positions to exempt. This action will allow the department the ability to compete with the current limited job market for Pharmacist positions. The department continues to experience difficulties in recruiting and/or keeping filled Pharmacist positions.

There are two primary reasons supporting this change:

- 1) In a recent market study, the department found that pharmacists earn considerably more in non-state positions, making it impossible to retain pharmacists or locate new

Prepared by: Sherry Hill, Special Assistant Phone 465-1618
 Division Office of the Commissioner Date/Time 02/16/2006
 Approved by: Karleen Jackson, Commissioner Date 02/16/2006
 Agency Department of Health and Social Services

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ANALYSIS CONTINUATION

hires. An informal survey of wages at non-state pharmacies during the summer of 2005 showed wages to range from a starting wage of \$41.82 to \$58.45 depending on experience. If state pharmacists are exempt the department is able to compete with the non-state pay by hiring exempt staff.

2) Licensed Pharmacists are (specialized) health professionals; the nature of their work better fits in the exempt service category.

Licensed pharmacists are required for dispensing medicines related to clinical treatment and therapy provided through divisions of Pioneer Homes, Health Care Services, Behavioral Health, and Public Health.

Clinical functions include education and clinical consultation to nursing staff and residents, regular review of resident medical information, maintenance of drug formularies and development and maintenance of policies and procedures regarding use and storage of medications in the pharmacy in all six Pioneer Homes, Alaska Psychiatric Institute, Health Care Services, and Public Health epidemiology.

The department has estimated the cost of changing the existing budgeted positions to exempt status using Range 29 as an example. Range 29 starting hourly rate is \$44.64/hour. Non exempt pharmacists are currently budgeted at Range 21 or 22.

Summary of Cost Analysis of Changing DHSS Pharmacists to Exempt

RDU	Component	# Positions	GF	Total
Alaska Pioneer Homes	Pioneer Homes	3	25.2	30.2
Behavioral Health	Alaska Psychiatric Institute	2	20.0	20.0
Health Care Services	Medical Assistance Admin	2	34.0	68.0
Public Health	Epidemiology	1	0	17.2
Total Estimate			79.2	135.4

Note: The estimates vary depending on the existing steps of positions. Also, the Pioneer Homes have already budgeted for two of their positions at a Range 29 in FY07 so there is less of an increase in this component.