

Small Business Economic Impact Statement
for Rule Concerning Pharmacy Technician
National Standardized Examination,
WAC 246-901-030 and WAC 246-901-060

1. Briefly describe the proposed rule.

The Board of Pharmacy is proposing to require pharmacy technician candidates to take a standardized examination to evaluate the knowledge and skill level of pharmacy technician candidates prior to certification in Washington State.

In recognition of the disparity in the current examination process, the proposed rule will require applicants for pharmacy technician certification to successfully complete a national standardized pharmacy technicians' examination approved by the board. This change in standards will provide a reliable tool for assessing a candidate's competencies. The proposed rule would also eliminate the need for individual pharmacy technician training programs from having to develop their own exams.

It is anticipated that the proposed rule will assure a reliable and consistent evaluation of the education and training of pharmacy technician applicants. The examination will help assure that technicians possess the basic skills to assist pharmacists in the practice of pharmacy in all practice setting and will improve the quality of care for patients.

The proposed rule will require amending WAC 246-901-030 (3) (b) – Proof of successful completion of a “certification examination approved by the Board” and WAC 246-901-060 “Technician Certification”, to include the requirement for successful completion of a national standardized examination prior to certification in Washington State.

2. Is a Small Business Economic Impact Statement (SBEIS) required for this rule?

The Board of Pharmacy assessed the impact of the rule on businesses subjected to economic impact analysis. The impacts to the majority of small pharmacy businesses are less than \$66 and thus below the threshold amount defined as “minor costs” in RCW 19.85.020. However, there are a few small businesses for which the economic impact of implementation of this rule would exceed minor costs.

3. Which industries are affected by this rule?

The proposed rule can be expected to affect businesses identified by the U.S North American Industry Classification System (NAICS) code: 44611 for pharmacies and drug stores; 61151 technical and trade schools; 62211 Hospitals. Small pharmacy businesses are those businesses with 50 or fewer employees.

4. What are the costs of complying with this rule for small businesses (those with 50 or fewer employees) and for the largest 10% of businesses affected?

In analyzing the possible costs, the board conducted a survey of active board-approved technician training programs. At the time of the survey, there were 179 board-approved on-the-job training programs and 23 approved academic courses. The OTJ programs were broken down into practice sites to include: community/retail pharmacies (50 employees or less), long-term care pharmacies, hospital pharmacies, other (correctional/public health facilities or specialty pharmacies) and chain store pharmacies (more than 50 employees). Approximately twenty percent of each category was asked to participate in a survey to determine if the proposed rule would have a disproportionate impact for smaller businesses versus large businesses. Of the 45 sites solicited 16 responded.

Random samples of approximately 20% of pharmacies from each category were selected to participate in the survey.

The pharmacies were asked to evaluate their current training program on its ability to prepare an applicant to pass a national standardized examination. Each pharmacy was provided content outlines for examinations administered by the Pharmacy Technician Certification Board (PTCE) and of the exam content for the Institute for the Certification of Pharmacy Technicians (ExCPT).

Category Headings by Examination

PTCE – Pharmacy Technician Certification Board

1. Assisting the Pharmacist in Serving Patients (66% of exam)
2. Maintaining Medication and Inventory Control Systems (22% of exam)
3. Participating in the Administration and Management of Pharmacy Practice (12% of exam)

ExCPT – Institute for the Certification of Pharmacy Technicians

1. Regulations and Technician Duties (~25% of exam)
2. Drugs and Drug Products (~25% of exam)
3. Dispensing Process (~50% of exam)

Survey results

Sixty-three percent of the pharmacies responding to the survey indicated that they use an examination developed by the program to assess a participant's knowledge and skill level in performing entry level pharmacy technician duties. Others use exams provided by the Michigan Pharmacy Association and the American Society of Health-System Pharmacists. Half of the programs responding to the survey indicated that their programs will need to change to prepare program participants to successfully pass a national standardized certification exam.

Costs estimates were assessed based on the need to revise program curriculum and the cost of staff to provide additional didactic and experiential training.

Responses were received in the following categories:

Categories Surveyed	# Surveyed	# Responded	Business		# Surveyed Reporting No Costs	Estimated Cost Reported	Average Cost of Compliance Per Employee*
			Large > 50 employees	Small < 50 employees			
Chain Store Pharmacies	5	1	✓			\$2200	\$13**
Community/Retail Pharmacies	26	9		✓	3	\$5665	\$59
Other Pharmacies	2	0		✓		-	
Hospital Pharmacies	3	1	✓			\$31,060	\$58
Long-term Care Pharmacies	4	3		✓		\$9135	\$190
Academic/Vocational Programs	5	2	✓		1	\$200	\$10

*Average cost per employee calculated based on total costs reported divided by the average number of staff per pharmacy reporting costs (average number of staff based on NAICS data).

**Average cost per employee was calculated based on actual staffing levels reported by the corporation responding to the survey.

Costs were primarily associated with providing the necessary instructions to pharmacy technicians to perform activities related to various pharmacy practice sites.

The content of two national standardized certification exams were reviewed and provided to the survey respondents for consideration when reviewing their current training plans.

5. Does the rule impose a disproportionate impact on small businesses?

Yes, the cost for small businesses to enhance their technician training programs to prepare applicants to pass a national standardized examination on average is higher than those of larger businesses. However, based on the survey 4 of the 12 small pharmacy businesses indicated no changes were needed. In addition, 5 of the 16 respondents indicated that proposed rule may result in a cost savings to the program if the program was not required to provide a final examination.

6. If the rule imposes a disproportionate impact on small businesses, what efforts were taken to reduce that impact (or why is it not “legal and feasible” to do so) by

a) reducing, modifying, or eliminating substantive regulatory requirements?

The proposed rule does not reduce, modify, or eliminate substantive regulatory requirements. Reducing regulatory requirements would not result in reduced costs to the affected small businesses.

b) simplifying, reducing, or eliminating record keeping and reporting requirements?

Reducing or eliminating record keeping requirements were not considered. Performance evaluations of program participants are required to be maintained for two years. This is consistent with all other record keeping required by these businesses. There are currently no reporting requirements related to pharmacy technician training programs.

c) reducing the frequency of inspections?

The proposed rule does not reduce the need for the board's inspection process. Reducing inspections would not be a viable way of reducing costs to affected small businesses. Conducting regular inspections is necessary to protect public health and safety.

d) delaying compliance timetables?

The board may consider delaying implementation of the rule to give affected businesses time to find ways they can comply. With exception to the academic programs, on-the-job training programs do not have a set start or completion schedule; therefore, it may be problematic to attempt to coordinate a compliance timetable.

The proposed rule exempts pharmacy technicians who are currently certified in Washington from having to meet the new standard. Although this does not provide a delay in implementation, it will minimize the impact on current pharmacy personnel.

e) reducing or modifying fine schedules for noncompliance?

The board has not considered assessing fines for noncompliance. Technician programs that are unable to meet the new standards for training will not be approved or re-approved.

f) any other mitigation techniques?

No other mitigation techniques were considered. However, the board will make any necessary changes to the written guidelines for the implementation of pharmacy technician training programs.

7. How are small businesses involved in the development of this rule?

Small pharmacies were involved in the development of the proposed rule amendments through stakeholder meetings, letters and messages sent to the board and an invitation to participate in a pharmacy cost of rule survey.