



## AGENDA

### Board of Directors

### Conference Call

Date: Tuesday February 20, 2018

Time: 6:00 p.m. – 7:00 p.m. (EST)

Teleconference Information:

**Dial in Number: (888) 537-7715**

**Participants Pass Code: 66812234#**

#### Board of Directors:

Dave Bowen, Chair  
Karen Bailey, Vice Chair  
Greg Nazareth, R. Ph., Treasurer  
Jill Rosenthal, MD, MPH, Secretary  
Samir Vakil, DPM, Director  
Lee Ann Brown, DO, Director  
Daniel Gesek, DMD, Director  
Sally West, Director  
Angela Nelson, R. Ph., Director  
Anthony Silvagni, DO, PharmD, MS, Director  
Hon. Al Nienhuis, Director

#### Staff:

Robert Macdonald, MS, Ex. Director

#### Department of Health:

Erika Marshall, E-FORCSE Outreach Director

1. Call to Order

Mr. Bowen

2. Roll Call/Sunshine Law Ms. Bailey
3. Approval of Minutes: (October 2, 2017) Mr. Bowen  
Attached
4. President's Report Mr. Bowen
5. Treasurer's Report: Mr. Nazareth
  - A. Financial Update
  - B. Report on Investments
  - C. Quarterly Tax Payments for 2017-2018
6. Executive Director's Report: Mr. Macdonald
  - A. Fundraising Update
  - B. PDMP Online Course
  - C. FY 2018-2019 Budget Preparation
  - D. PDMP Foundation Annual Report to DOH
  - E. Preparation of IRS Form 1099 for 2017 by CPA
  - F. FY 2017-2018 Audit
  - G. Board Member Appointments 2018-2019
7. DOH Report: Ms. Marshall
  - A. E-FORCSE Update
  - B. 2018 PDMP Legislation Update
  - C. Appropriations for E-FORCSE Operations FY 18-19
8. Public Comments Mr. Bowen
9. Announcements Mr. Bowen
10. Date of Next Meeting: TBD
11. Adjournment

**BOARD OF DIRECTORS**  
**CONFERENCE CALL MEETING**  
**MINUTES**

Date: Monday October 2, 2017

Time: 6:00 p.m.

Chair: Dave Bowen

Members Present (Officers): Karen Bailey, Vice Chair, Greg Nazareth, Treasurer and Dr. Jill Rosenthal, Secretary

Members Present (Directors): Dr. Samir Vakil, Dr. Anthony Silvagni, Dr. Lee Ann Brown, Dr. Daniel Gesek, Sally West and the Hon. Al Nienhuis

Staff: Robert Macdonald, Executive Director

DOH Staff: Becki Poston, Program Director, E-FORCSE

Guests: Jean D'Aprix, Chief Operating Officer, PRN

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**Call to Order**

The chair called the PDMP Foundation Board of Directors conference call meeting to order at 6:05 p.m., Monday October 2, 2017.

**Roll Call/Sunshine Law**

Ms. Bailey provided the statement regarding the foundation operating under the state sunshine law. Following roll call she announced that a quorum was present.

**Introductions**

The chair introduced Ms. D'Aprix as a guest and welcomed her to the meeting.

**Approval of Minutes of Last Meeting (July 14, 2017)**

The chair called for the approval of the Board of Directors minutes from the July 14, 2017 annual meeting. A motion was made by Dr. Silvagni and seconded by Ms. Bailey to approve the minutes as distributed. The chair hearing no request for discussion called for a vote on the motion and it was adopted unanimously.

**Additional Agenda Items**

The chair called for any additional agenda items. None were added.

**Report of the Chair**

The chair gave an update of his travels throughout the country and said that many states are interested in the status of Florida's PDMP. He said states are involved with some of the same problems that the Florida legislature will address in the next legislative session relative to increasing access to the information in the

database by requiring mandatory registration and use for better patient management. He also said that there was discussion about the need to share information between states about patient's prescriptions of controlled substances. There was also support for more control over prescribing and dispensing of opioids by pharmacies.

### **Treasurer's Report**

Mr. Nazareth reported that as of September 25, 2017 the foundation had \$1,548,117 funds in Wells Fargo Bank accounts. He said that this included \$4,863 in the checking account; \$92,337 in the business savings account and \$1,450,876 in the brokerage account in FDIC insured certificates of deposit.

He said that of the monies in the savings account \$50,238 were restricted CVS/Caremark settlement funds. Another \$10,000 were restricted funds for use for PDMP education and promotional programs contributed by the Polk County Sheriff's Office. The remainder of the funds in the business savings account of \$32,973 consisted of interest income, donations, reserve fund and foundation operating budget.

Mr. Nazareth then gave an update on the investments. He said that investment account managed by Wells Fargo Wealth Brokerage Services consisted of \$1,450,396 in two, one-year jumbo \$250,000 CDs; three, six-month jumbo \$250,000 CDs, and one, three-month \$200,000 CD. There was also \$479 in cash in the investment account.

He then updated the board on the status of the FY 2017-2018 through the first quarter of the year. He said that the fiscal budget of \$50,450 had expenses of \$20,958 from July 1 – September 30. He said that taxes and purchase of a new E-FORCSE display and information cards would be paid from the restricted accounts. The total monies remaining in the account for the remainder of the fiscal year are \$31,775.

The treasurer then discussed the IRS Form 990 2016 tax return. He said that from interest earned on investments that \$1,499 in Unrelated Business Income Tax was paid to the IRS. He said that money for these taxes were paid from the settlement funds in the business saving account.

Mr. Nazareth then informed the board that the CPA had recommended that the foundation pay 2017-2018 UBIT taxes on a quarterly basis via direct deposit. He said that Mr. Macdonald and the CPA were initiating this process and that the payments would be approximately \$362.25 per quarter.

### **Executive Director's Report**

Mr. Macdonald provided a review of the current fundraising campaign. He said that the campaign began in June and has since raised \$34,250. He recommended that a letter be sent to the over 40,000 practitioners who are current users of the PDMP to seek their support. He would continue to work with the Department of Health to determine how this solicitation could be made without breaching confidentiality laws. He also recommended developing a Request for Proposal to forward to companies that continually contact the foundation about doing a major fundraising campaign to target markets. He also said that he continues to make appeals on the PDMP Facebook page for persons to donate through credit card or PayPal payments.

Dr. Brown suggested that the foundation publish an e-newsletter or send press releases to all health care associations to seek support from these groups members. Mr. Macdonald agreed with that approach and said that he would develop a draft newsletter for distribution to all targeted professional groups.

Mr. Macdonald then provided information about the status of the PDMP Online CE course. He said that there was a continued delay in finalizing the course content due to the governor's appointment of a new State Surgeon General. Due to the delay in production, the executive director said that the current course contents may need updating to add information about appointing a designee to obtain patient information from the PDMP database. He said that the FMA staff will work with Ms. Poston on course revisions and a new introduction. Mr. Macdonald said that should the legislature amend the current PDMP law to require mandatory use of the database and require continuing education for practitioners on controlled substance prescribing then the course would become a more valuable tool to educate practitioners on how to properly use PDMP in patient management.

The executive director announced that the State Surgeon General was in the process of the final review of the appointment of Angela Nelson as the 11<sup>th</sup> PDMP Foundation board member. Ms. Nelson is a senior executive at CVS/Caremark in Woonsocket, RI. She would replace Michael Ayotte who resign as the CVS representative in July.

He then reported that the foundation funded the purchase of a new E-FORCSE display and information cards for use in the exhibit booths at conferences and conventions. Mr. Macdonald said that the costs of these promotional materials was \$835 and would be paid from the restricted Polk County Sheriff's Office fund.

Mr. Macdonald said that he continues to update the PDMP Foundation website with the webmaster and provide updates on the Facebook page. He said there are over 200 followers of foundation activities on Facebook.

### **E-FORCSE Update**

Ms. Poston provided an update on database operations relative to the number of users and patient prescriptions in the system. She said that there were over 40,000 practitioners registered to use the PDMP database with over 225 million patient records on file since its inception in September 2011. She also said that the department was receiving approximately 3.5M prescriptions uploaded by dispensers per month. Ms. Poston related that in 2016 over 15.6 million opioid prescriptions were uploaded into the system. The E-FORCSE program director said that due to the increase in controlled substance prescriptions the Department of Health anticipates moving its data over to a new platform which would have system enhancements and ultimately would interface with electronic health records. She said that the cost of the upgraded platform and additional features would be approximately \$1.3-\$1.5M. Funds for this project are being sought from the Governor's proposed 2018 budget.

Ms. Poston informed the board that the University of Florida was working on analyzing the current de-identified data for the PDMP 2017 Annual Report. She said that the annual report will be provided to the Governor and Legislature December 1, 2017.

Ms. Poston reminded the board that Governor Rick Scott has announced that during the upcoming legislative session, he will propose major legislation and more than \$50 million as part of his 2018-2019 recommended budget to combat opioid abuse in Florida.

The proposed legislation will include:

- Placing a three-day limit on prescribed opioids, unless strict conditions are met for a seven-day supply;

- Requiring all healthcare professionals that prescribe or dispense medication to participate in the Florida Prescription Drug Monitoring Program, a statewide database that monitors controlled substance prescriptions; and
- Additional reforms to fight unlicensed pain management clinics, require continuing education courses on responsibly prescribing opioids, and create new opportunities for federal grant funding.

The proposed investment of more than \$50 million will include funding for:

- Substance abuse treatment;
- Counseling and recovery services; and
- The Florida Violent Crime and Drug Control Council.

### **Attorney General Response: Settlement Funds Management Fee**

Mr. Macdonald reported that the letter reviewed by the board and approved by the Department of Health to seek an administrative fee for management of the CVS/Caremark settlement funds was forwarded to the attorney general's office for review. He said that he would provide an update to the board as soon as he received a reply on the matter.

### **United Stance Symposium on Opioid Epidemic**

The chair said that the symposium scheduled in September at Nova Southeastern University was postponed due to Hurricane Irma. He said that the event was rescheduled for November 2, 2017 at the university. Chair Bowen acknowledged that he would attend the symposium and report back to the board on its proceedings.

### **Public Comments**

The chair called for public comments. Dr. Vakil asked for clarification on the proposed legislation to limit prescriptions of opioid pain medication to 3 days for post-operative patients. Ms. Poston said that this was still in the discussion stages and that it may be expanded to 7 days with approval of the patient's doctor.

### **Announcements**

The chair called for any announcements. None were made.

### **Date of Next Meeting**

The board discussed meeting in January via conference call or during the legislative session in Tallahassee to address issues with key government leaders. The chair asked Mr. Macdonald to work on the possible dates and location to schedule the meeting.

### **Adjournment**

The chair called for the adjournment of the PDMP Board of Directors conference call. The meeting was adjourned at 7:05 p.m., Monday October 2, 2017.

## AGENDA ITEM 6A

Date: February 14, 2018  
To: PDMP Foundation Board of Directors  
From: Bob Macdonald, Executive Director  
Subject: Fundraising Update

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### **BACKGROUND**

Since its inception the PDMP Foundation's mission under its contract with the Department of Health as a direct support organization has been to raise private funds to assist with the operation of the state's prescription drug monitoring program database – E-FORCSE. Initially the foundation founding board received \$464,000 in corporate contributions to provide to the DOH for database development. These funds helped launch E-FORCSE operations in September 2011.

It was envisioned that the foundation could raise part of the \$500,000 needed to cover the databases yearly operating costs. The DOH also received grants to assist with the funding needed to operate the PDMP.

Following attracting initial corporate gifts, fundraising dollars came mostly from law enforcement agencies through Asset Forfeiture Fund donations and municipal governments between 2012 and 2013. In 2014, Attorney General Pam Bondi made the Opioid epidemic a major priority and supported the use of the E-FORCSE database to help curtail Pill Mill activity causing fraud, abuse and diversion of controlled substances. AG Bondi made the decision to help fund E-FORCSE operations by donating \$1,974,478 to the foundation for this purpose. The funds for the restricted contribution came from the state's settlement of a CVS/Caremark Federal lawsuit.

As part of its restricted gift, the Attorney General's Office and the PDMP Foundation entered into a Memorandum of Understanding of which authorized the distribution of \$500,000 per fiscal year to the DOH for E-FORCSE operations. The foundation made its first distribution in \$125,000 quarterly payments during FY 2014-2015. Following the first year's distribution \$1,474,478 remained in a Wells Fargo Business Saving Account gaining minimum interest.

At the close of the 2015 legislative session the PDMP law was amended to prohibit the DOH from using the settlement funds for E-FORCSE database operations. Following each legislative session since 2015 the law continued to be amended prohibiting the use of the settlement funds for the database.

Since the settlement funds were not being distributed as planned the foundation recommended to the Attorney General to move the funds from a business savings account to a wealth management account with Wells Fargo Bank. In January 2016, the MOU was modified by the AG to allow the foundation to invest the principal of the restricted settlement funds in FDIC protected jumbo certificates of deposit. This has increased the corpus of the remaining funds.

Besides the restricted settlement funds, the foundation also received \$311,000 in contributions from county sheriff's offices between 2011 and 2017 and \$6,000 from police chiefs. Another \$38,000 came from municipal governments and \$32,000 from individual gifts and grants. In total since its formation in 2010, the foundation has received \$2.826M in funds for support of the PDMP.

### **CURRENT STATUS**

The sustainability of attempting to continuously raise private funds for the PDMP operations has declined for the following reasons:

- 1) Many potential corporate donors are aware of the Attorney General's large restricted contribution and that the foundation has nearly \$1.5M in investments that it is authorized to distribute to the DOH for E-FORCSE operations once permitted by law. Many large donors are under the misconception that the foundation can utilize part of the settlement funds for its operations.
- 2) Key potential donors are aware that the legislature has authorized state appropriations to fund the program and that there is no need for private donations to keep the program ongoing. Many practitioners feel that the database should be a state-run program not funded by private monies as is the case in 46 states.
- 3) The foundation's biggest donors, law enforcement agencies, have other major priorities that they need to use their asset forfeiture funds to support.
- 4) The state's professional healthcare associations are not supportive of seeking funding for the PDMP from licensure fees or direct mail solicitations. They feel that this would have a negative impact on the program since the legislature is currently debating legislation that would require mandatory use of the database and a continuing education course on prescribing controlled substances in order to be relicensed.
- 5) The PDMP Foundation, by law, continues to be prohibited from contacting pharmaceutical companies for donations.
- 6) The general public as well as the healthcare practitioners has not shown a major need to support the PDMP's operations through individual contributions and fundraisers conducted on social media. They believe that the millions of dollars being allocated to fight the Opioid epidemic will translate into funding for the PDMP database.

Because the foundation must face these many fundraising roadblocks the current revenue from the 2017-2018 campaign has been reduced to about \$25,000. Most of these funds were contributed by law enforcement agencies. However, from the interest earned through investing the settlement funds the foundation has increased these monies by over \$17,300 this fiscal year.

### **FUNDRAISING PROGRAMS**

Since 2014, the PDMP Foundation and E-FORCSE staffs have worked together to promote the use of the Prescription Drug Monitoring Program to health care practitioners and law enforcement agencies. These efforts have included presentations at regional and state professional conferences, developing



informational guides, exhibit displays, social media marketing with Facebook and websites and status reports on foundation and E-FORCSE operations.

Staff and board members have attended most of the major state healthcare association conventions and conferences including the Florida Medical Association, Florida Osteopathic Medical Association, Florida Dental Association, Florida Podiatric Medical Association, Florida Pharmacy Association, Florida Emergency Physicians, Florida Pain Medicine Association, Florida Society of Interventional Pain Physicians, and Florida Family Physicians. Staff has also been at major law enforcement events sponsored by the Florida Sheriffs Association and Florida Police Chiefs Association. The foundation and E-FORCSE staffs have also met with most of the healthcare licensing boards and have held training sessions with law enforcement on the use of the PDMP. They have also been involved in providing testimony on the PDMP to the legislature.

These marketing and public relations efforts have helped increase the number of practitioners using the database to check patient prescriptions on controlled substances to over 45,000 users. The number of controlled substance prescriptions on file in the database continues to grow at a rate of 3.5M per month. The database has also helped decrease doctor shopping by over 75%.

### **FUTURE RECOMMENDATIONS**

In order to sustain its operations as a tax-exempt entity and to continue to seek funding for the PDMP and its own operations the foundation will need a minimum budget of \$60,000 for FY 2018 – 2019. The foundation's fiscal budget is due to be forwarded to the DOH for approval by May 15<sup>th</sup>.

A portion of next year's operating budget will come from unused funds carried forward. The remainder from other contributions.

Depending on the outcome of the 2018 legislative session regarding the prescription of Opioid medications, mandatory continuing education, use of the PDMP and E-FORCSE appropriations and the use of settlement funds, there may be other opportunities for support for the foundation's operations.

These new foundation fundraising activities could include:

- 1) Revision of the FMA/PDMP Online course to address the mandate on information about prescribing controlled substances and how the PDMP database should be used. A portion of the Online course fee would be contributed to the foundation.
- 2) Developing and conducting the required CE course on controlled substance prescriptions throughout the state to all healthcare licensees of which a portion of the fee would generate revenue for the foundation.
- 3) Should the legislature continue to prohibit the distribution of the settlement funds to the DOH for E-FORCSE operations then meet with the Attorney General and request that as a DSO of the Department and with its approval to release a portion of the settlement funds for operations to provide educational programs on the use of the PDMP database to healthcare licensees.