By the Committee on Health Care Licensing & Regulation and Representative Gay

A bill to be entitled 1 2 An act relating to pharmacy practice; amending 3 s. 465.003, F.S.; revising the definition of the term "practice of the profession of 4 5 pharmacy"; amending s. 465.016, F.S.; authorizing the redispensing of unused or 6 7 returned unit-dose medication by correctional 8 facilities under certain conditions; amending s. 499.012, F.S.; redefining the term 9 10 "wholesale distribution," relating to the 11 distribution of prescription drugs, to provide for the exclusion of certain activities; 12 13 providing effective dates. 14 15 Be It Enacted by the Legislature of the State of Florida: 16 Section 1. Subsection (12) of section 465.003, Florida 17 18 Statutes, is amended to read: 19 465.003 Definitions.--As used in this chapter, the 20 term: 21 (12)"Practice of the profession of pharmacy" includes 22 compounding, dispensing, and consulting concerning contents, therapeutic values, and uses of any medicinal drug; and 23 consulting concerning therapeutic values and interactions of 24 25 patent or proprietary preparations, whether pursuant to 26 prescriptions or in the absence and entirely independent of 27 such prescriptions or orders; and other pharmaceutical 28 services. For purposes of this subsection, "other 29 pharmaceutical services" means the monitoring of the patient's

drug therapy and assisting the patient in the management of

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drug therapy and communication with the patient's prescribing 1 2 health care provider as licensed under chapter 458, chapter 459, chapter 461, or chapter 466, or similar statutory 3 4 provision in another jurisdiction, or such provider's agent or 5 such other persons as specifically authorized by the patient, 6 regarding the drug therapy. However, nothing in this 7 subsection may be interpreted to permit an alteration of a 8 prescriber's directions, the diagnosis or treatment of any 9 disease, the initiation of any drug therapy, the practice of medicine, or the practice of osteopathic medicine, unless 10 11 otherwise permitted by law. "Practice of the profession of 12 pharmacy"The phrase also includes any other act, service, 13 operation, research, or transaction incidental to, or forming 14 a part of, any of the foregoing acts, requiring, involving, or employing the science or art of any branch of the 15 16 pharmaceutical profession, study, or training, and shall expressly permit a pharmacist to transmit information from 17 persons authorized to prescribe medicinal drugs to their 18 patients. 19 20 Section 2. Effective upon this act becoming a law,

465.016 Disciplinary actions.--

Statutes, is amended to read:

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- (1) The following acts shall be grounds for disciplinary action set forth in this section:
- (1) Placing in the stock of any pharmacy any part of any prescription compounded or dispensed which is returned by a patient; however, in a hospital, nursing home, correctional facility, or extended care facility in which unit-dose medication is dispensed to inpatients, each dose being 31 | individually sealed and the individual unit dose or unit-dose

paragraph (1) of subsection (1) of section 465.016, Florida

system labeled with the name of the drug, dosage strength, manufacturer's control number, and expiration date, if any, the unused unit dose of medication may be returned to the pharmacy for redispensing. Each pharmacist shall maintain appropriate records for any unused or returned medicinal drugs.

Section 3. Paragraph (a) of subsection (1) and subsection (5) of section 499.012, Florida Statutes, 1998 Supplement, are amended to read:

499.012 Wholesale distribution; definitions; permits; general requirements.--

- (1) As used in this section, the term:
- (a) "Wholesale distribution" means distribution of prescription drugs to persons other than a consumer or patient, but does not include:
- 1. Any of the following activities, which is not a violation of s. 499.005(21) if such activity is conducted in accordance with s. 499.014:
- a. The purchase or other acquisition by a hospital or other health care entity that is a member of a group purchasing organization of a prescription drug for its own use from the group purchasing organization or from other hospitals or health care entities that are members of that organization.
- b. The sale, purchase, or trade of a prescription drug or an offer to sell, purchase, or trade a prescription drug by a charitable organization described in s. 501(c)(3) of the Internal Revenue Code of 1986, as amended and revised, to a nonprofit affiliate of the organization to the extent otherwise permitted by law.
- 30 c. The sale, purchase, or trade of a prescription drug 31 or an offer to sell, purchase, or trade a prescription drug

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among hospitals or other health care entities that are under common control. For purposes of this section, "common control" means the power to direct or cause the direction of the management and policies of a person or an organization, whether by ownership of stock, by voting rights, by contract, or otherwise.

- d. The sale, purchase, trade, or other transfer of a prescription drug from or for any federal, state, or local government agency or any entity eligible to purchase prescription drugs at public health services prices pursuant to s. 602 of Pub. L. No. 102-585 to a contract provider or its subcontractor for eligible patients of the agency or entity under the following conditions:
- (I) The agency or entity must obtain written authorization for the sale, purchase, trade, or other transfer of a prescription drug under this sub-subparagraph from the Secretary of Health or his or her designee.
- (II) The contract provider or subcontractor must be authorized by law to administer or dispense prescription drugs.
- (III) In the case of a subcontractor, the agency or entity must be a party to and execute the subcontract.
- (IV) A contract provider or subcontractor must maintain separate and apart from other prescription drug inventory any prescription drugs of the agency or entity in its possession.
- The contract provider and subcontractor must maintain and produce immediately for inspection all records of movement or transfer of all the prescription drugs belonging to the agency or entity, including, but not limited to, the 31 records of receipt and disposition of prescription drugs.

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Each contractor and subcontractor dispensing or administering these drugs must maintain and produce records documenting the dispensing or administration. Records that are required to be maintained include, but are not limited to, a perpetual inventory itemizing drugs received and drugs dispensed by prescription number or administered by patient identifier, which must be submitted to the agency or entity quarterly.

(VI) The contract provider or subcontractor may administer or dispense the prescription drugs only to the eligible patients of the agency or entity or must return the prescription drugs for or to the agency or entity. The contract provider or subcontractor must require proof from each person seeking to fill a prescription or obtain treatment that the person is an eligible patient of the agency or entity and must, at a minimum, maintain a copy of this proof as part of the records of the contractor or subcontractor required under sub-sub-subparagraph (V).

(VII) The prescription drugs transferred pursuant to this sub-subparagraph may not be billed to Medicaid.

(VIII) In addition to the departmental inspection authority set forth in s. 499.051, the establishment of the contract provider and subcontractor and all records pertaining to prescription drugs subject to this sub-subparagraph shall be subject to inspection by the agency or entity. All records relating to prescription drugs of a manufacturer under this sub-subparagraph shall be subject to audit by the manufacturer of those drugs, without identifying individual patient information.

2. Any of the following activities, which is not a violation of s. 499.005(21) if such activity is conducted in 31 | accordance with rules established by the department:

- a. The sale, purchase, or trade of a prescription drug among federal, state, or local government health care entities that are under common control and are authorized to purchase such prescription drug.
- b. The sale, purchase, or trade of a prescription drug or an offer to sell, purchase, or trade a prescription drug for emergency medical reasons. +For purposes of this sub-subparagraph subparagraph, the term "emergency medical reasons" includes transfers of prescription drugs by a retail pharmacy to another retail pharmacy to alleviate a temporary shortage.
- c. The <u>transfer</u> <u>purchase or acquisition</u> of a prescription drug <u>acquired</u> by <u>a medical director on behalf of a licensed an emergency medical services provider to that medical director for use by emergency medical services provider and its transport vehicles for use in accordance with the provider's license under providers acting within the scope of their professional practice pursuant to chapter 401.</u>
- d. The revocation of a sale or the return of a prescription drug to the person's prescription drug wholesale supplier.
- e. The donation of a prescription drug by a health care entity to a charitable organization that has been granted an exemption under s. 501(c)(3) of the Internal Revenue Code of 1986, as amended, and that is authorized to possess prescription drugs.
- f. The transfer of a prescription drug by a person authorized to purchase or receive prescription drugs to a person licensed or permitted to handle reverse distributions or destruction under the laws of the jurisdiction in which the

person handling the reverse distribution or destruction receives the drug.

- 3. The dispensing of a prescription drug pursuant to a prescription;
- 3.4. The distribution of prescription drug samples by manufacturers' representatives or distributors' representatives conducted in accordance with s. 499.028. \div or
- 4.5. The sale, purchase, or trade of blood and blood components intended for transfusion. As used in this subparagraph section, the term "blood" means whole blood collected from a single donor and processed either for transfusion or further manufacturing, and the term "blood components" means that part of the blood separated by physical or mechanical means.
- 5. The lawful dispensing of a prescription drug in accordance with chapter 465.
- (5) The department may adopt rules governing the recordkeeping, storage, and handling with respect to each of the distributions of prescription drugs specified in subparagraphs (1)(a)1.-4.1., 2., 4., and 5.

Section 4. Except as otherwise provided herein, this act shall take effect July 1, 1999.