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THE GENERAL ASSEMBLY OF PENNSYLVANIA

# HOUSE BILL

## No. 2762 Session of 2000

INTRODUCED BY FICHTER, VANCE, HARHART, BROWNE, RYAN, E. Z. TAYLOR, ARGALL, ARMSTRONG, BUNT, CLARK, CLYMER, L. I. COHEN, CORNELL, DAILEY, DALLY, DeLUCA, DEMPSEY, FAIRCHILD, FEESE, FLEAGLE, GANNON, GEIST, GODSHALL, HASAY, HENNESSEY, HERMAN, HESS, KENNEY, LAUGHLIN, LAWLESS, LYNCH, MAITLAND, MAJOR, MARSICO, MASLAND, McGILL, McILHATTAN, McNAUGHTON, MICOZZIE, R. MILLER, S. MILLER, NAILOR, O'BRIEN, ORIE, PESCI, PHILLIPS, PIPPY, REINARD, ROSS, RUBLEY, SATHER, SCHRODER, SCHULER, SCRIMENTI, B. SMITH, SNYDER, SOLOBAY, STAIRS, STERN, STEVENSON, J. TAYLOR, TIGUE, TRUE, WILT, WRIGHT, ZIMMERMAN AND ZUG, SEPTEMBER 26, 2000

REFERRED TO COMMITTEE ON HEALTH AND HUMAN SERVICES, SEPTEMBER 26, 2000

AN ACT

Providing for the limited redistribution of certain prescription drugs within certain health care facilities and State correctional facilities and imposing additional powers and duties on the Department of Corrections, the Department of Health and the State Board of Pharmacy.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Short title.

This act shall be known and may be cited as the Prescription Drug Redistribution Act.

Section 2. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Crediting fee." The fee imposed by a licensed pharmacist for accepting any portion of an unused, returned prescription, which shall be approved by the Pennsylvania Fair Drug Pricing Board. The crediting fee shall be not less than $3.50 and not more than $7.50 for any prescription.

"FDA." The Federal Food and Drug Administration.

"Health care facility." A general or special hospital, including State centers for the mentally retarded and psychiatric hospitals; skilled nursing facilities; and intermediate care facilities, regardless of whether such a facility is for profit, nonprofit or governmental.

"Hospital." An institution licensed or regulated as a hospital by the Department of Health or the Department of Public Welfare or a facility owned or operated by the Federal Government and accredited by the Joint Commission on Accreditation of Hospitals as a hospital.

Section 3. Return to and repackaging by vendor pharmacy.

(a) Initial repackaging.--Each health care facility or State correctional facility shall return to the vendor pharmacy, for initial repackaging by that vendor pharmacy and redistribution to that health care facility or State correctional facility, drug products that were dispensed to a patient and not used if such drug products are:

(1) prescription drug products that are not controlled substances;

(2) sealed in individually packaged units;

(3) returned to the vendor pharmacy at least 90 days prior to the expiration of the recommended period of shelf life for the purpose of redispensing such drug products; and

(4) oral and parenteral medication in single-dose sealed

containers approved by the FDA, topical or inhalant drug products in units of use containers approved by the FDA or parenteral medications in multiple-dose sealed containers approved by the FDA from which no doses have been withdrawn.

(b) Subsequent repackaging.--Each health care facility or State correctional facility shall return to the vendor pharmacy, for subsequent repackaging and redistribution by that vendor pharmacy to that health care facility or State correctional facility, drug products that have already been repackaged and redistributed under subsection (a), if:

(1) such drug products meet all of the requirements for initial repackaging found in subsection (a);

(2) the date on which such drug product was last repackaged, such drug product's lot number and such drug product's expiration date are indicated clearly on the package of such repackaged drug;

(3) ninety days or fewer have elapsed from the date of initial repackaging of such drug product; and

(4) a repackaging log is maintained by the pharmacy in the case of drug products repackaged in advance of immediate needs.

(c) Prohibition on drugs dispensed in bulk containers.--No drug products dispensed in a bulk dispensing container, including bottles, may be returned to the vendor pharmacy for redistribution.

Section 4. Consent not required.

The consent of the individual for whom the unused drugs were originally prescribed shall not be required for reuse and redistribution.

Section 5. Rebates.

Nothing in this act shall require a pharmaceutical manufacturer to provide a rebate based on the reuse and redistribution of any unused drug as authorized in section 3.

Section 6. Vendor credits and fees.

A fee of not more than 25% of the maximum wholesale price plus a crediting fee shall be provided to the vendor pharmacy by the health care facility or State correctional facility receiving the prepackaged drugs for the return of unused drug products.

Section 7. Regulations.

The Department of Health, the Department of Corrections and the State Board of Pharmacy shall promulgate regulations to carry out the provisions of this act, including, but not limited to, regulations which:

(1) Provide reimbursement for the return of unused drug products to the vendor pharmacy from which such drug products were purchased.

(2) Govern the repackaging and labeling of drug products returned under section 3.

(3) Establish procedures for the return of unused drug products to the vendor pharmacy from which such drug products were purchased.

Section 8. Effective date.

This act shall take effect in 90 days.