

# SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

**BILL NO.**

Senate Bill 1044

**PRINTER'S NO.**

1618

**AMOUNT**

\$1 million savings to the  
Department of Corrections  
(see analysis)

**FUND**

General Fund

**DATE INTRODUCED**

July 23, 2009

**PRIME SPONSOR**

Senator D. White

**HISTORY OF BILL**Referred to JUDICIARY, July 23, 2009Reported as amended, Jan. 26, 2010

First consideration, Jan. 26, 2010

Re-referred to APPROPRIATIONS, Feb. 2, 2010 (50-0)Re-reported as committed, March 8, 2010**DESCRIPTION AND PURPOSE OF BILL**

Senate Bill 1044 amends Chapter 11 of Title 61 (Penal and Correctional Institutions) of the Pennsylvania Consolidated Statutes by adding a Subchapter D, entitled "Drug Redistribution" that would authorize correctional facilities to return certain drugs to the vendor pharmacy for purposes of redistributing them to other correctional facilities if certain requirements are met.

In order for a drug to be returned to its vendor pharmacy for the purposes of redispensing, the following requirements must be met:

1. The drug is not a Schedule I, II, III, IV or V controlled substance;
2. The drug is returned in accordance with the vendor pharmacy's written policies and procedures that comply with this act and the State Board of Pharmacy's rules and regulations in regard to delivery, storage, labeling and reissuing;
3. The drug is returned unopened and sealed in the unit dose package, unit of issue package, bottle or manufacturer's package;

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4. Each returned unit dose package, unit of issue package, bottle or manufacturer's package retains the drug name, strength, manufacturer identifier, lot and expiration date as originally labeled;
5. The drug was never in the possession or control of a patient;
6. The drug remained in a controlled environment of a secured drug room or secured drug cart under the supervision of designated personnel;
7. The drug has no fewer than 90 days before its expiration date;
8. A pharmacist at the vendor pharmacy determines by visual inspection that the drugs are not adulterated or misbranded; and
9. A pharmacist at the vendor pharmacy using the pharmacist's professional judgment determines that:
  - a. The conditions under which the drug has been delivered, stored and handled before and during its return to the pharmacy have preserved the proper integrity, stability and labeling of the drug.
  - b. The drug labeling or packaging has not been altered or defaced; and
  - c. The drug name, strength, manufacturer identifier, lot and expiration date are retrievable.

In order for a vendor pharmacy to redispense a drug that has been returned by a correctional facility, the following requirements must be met:

1. The drugs are returned directly from the correctional facility to the vendor pharmacy;
2. The drugs returned to the vendor pharmacy are stored separately from the rest of the pharmacy's stock;
3. The redispensing of the drugs is in compliance with the United States Pharmacopeia and the vendor pharmacy's policies and procedures;
4. The vendor pharmacy records receipt of the drug, including:
  1. The date the drug was received;
  2. The quantity of the drug;
  3. The lot number of the drug; and
  4. The expiration date of the drug;
5. Information records are maintained for at least two years from the date the drug is redispensed;
6. The unit dose package, unit of issue or originally sealed container stays intact with drug name, strength, manufacturer identifier, lot and expiration date and is not emptied for the returned unit dose, unit of issue or original container for repacking;

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7. The name of any patient for whom the drug was previously prescribed is removed prior to redispensing; and
8. The drug remains in the original container or package and before redispensing, the vendor pharmacy ensures that the label meets the requirements of the State Board of Pharmacy's rules and regulations.

The vendor pharmacy to which drug products are returned shall credit the correctional facility for the unused drugs at a rate determined by the vendor pharmacy and the correctional facility. Drugs that do not meet all the requirements of the act are deemed unacceptable for redispensing and shall be sent to a destruction agency, reverse distributor, manufacturer, original wholesaler or other approved entity.

A pharmacist who is authorized under this act to redistribute a drug and who properly relabels and repackages the drug shall not be deemed to have engaged in unprofessional conduct as defined in the Pharmacy Act (P.L. 1700, No. 699). Additionally, a pharmacy and/or a pharmacist that fails to comply with the provisions of this act would be subject to discipline under the Pharmacy Act.

This Act would take effect immediately.

## **FISCAL IMPACT:**

The Department of Corrections implemented this program several years ago and has realized an average savings of \$1 million annually.

This legislation is intended to bring the department's pharmaceutical contractor and the department into compliance with the State Board of Pharmacy's regulations in order to ensure future savings to the department.