STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

SENATE BILL 638 By: Garvin

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AS INTRODUCED

An Act relating to pharmacy; amending 59 O.S. 2011, Section 367.3, as amended by Section 45, Chapter 475, O.S.L. 2019 (59 O.S. Supp. 2020, Section 367.3), which relates to program for utilization of unused prescription drugs; deleting procedure for transfer of certain prescription drugs; providing for donation or return of unused prescription medications for credit or reimbursement; requiring certain credit or reimbursement to state Medicaid program under certain conditions; amending 59 O.S. 2011, Section 367.4, which relates to criteria for accepting unused prescription drugs; broadening criteria to apply to returned drugs; amending 59 O.S. 2011, Section 367.5, which relates to participation in program; clarifying inclusion of certain facilities; specifying ability to refuse individual returns; authorizing pharmacy to restock and redistribute returned prescription drugs after credit or reimbursement; excluding Medicaid copayments from certain requirement; amending 59 O.S. 2011, Section 367.6, which relates to liability of participating organizations and manufacturers; broadening criteria to apply to returned drugs; removing certain pharmacies from program; clarifying inclusion of certain facilities; amending 59 O.S. 2011, Section 367.7, which relates to promulgation of rules; directing promulgation of certain rules; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 59 O.S. 2011, Section 367.3, as amended by Section 45, Chapter 475, O.S.L. 2019 (59 O.S. Supp. 2020, Section 367.3), is amended to read as follows:

Section 367.3. A. The State Board of Pharmacy shall implement

section 367.3. A. The State Board of Pharmacy shall implement statewide a program consistent with public health and safety through which unused prescription drugs, other than prescription drugs defined as controlled dangerous substances in Section 2-101 of Title 63 of the Oklahoma Statutes, may be transferred from residential care homes, nursing facilities, assisted living centers, public intermediate care facilities for individuals with intellectual disabilities (ICFs/IID) or pharmaceutical manufacturers to pharmacies operated by a county. If no county pharmacy exists, or if a county pharmacy chooses not to participate, such unused prescription medications may be transferred to a pharmacy operated by a city-county health department or a pharmacy under contract with a city-county health department, a pharmacy operated by the Department of Mental Health and Substance Abuse Services or:

1. Donated by a residential care home, an assisted living center, an intermediate care facility for individuals with intellectual disabilities (ICF/IID) or a pharmaceutical manufacturer to a charitable clinic for the purpose of distributing the unused prescription medications to Oklahoma residents who are medically indigent; or

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- 2. Returned by a residential care home, an assisted living center or an intermediate care facility for individuals with intellectual disabilities (ICF/IID) to the pharmacy where the unused prescription medications were purchased in exchange for credit or reimbursement. If the pharmacy accepts a return of unused prescription medications that were purchased by the state Medicaid program, the pharmacy shall credit or reimburse the state Medicaid program for the medications; provided that, the pharmacy may keep any dispensing fee paid to the pharmacy by the state Medicaid program for dispensation of the medications.
- B. The Board of Pharmacy shall promulgate rules and establish procedures necessary to implement the program established by the Utilization of Unused Prescription Medications Act.
- C. The Board of Pharmacy shall provide technical assistance to entities who may wish to participate in the program.
- SECTION 2. AMENDATORY 59 O.S. 2011, Section 367.4, is amended to read as follows:
- Section 367.4. The following criteria shall be used in accepting unused prescription drugs for use under the Utilization of Unused Prescription Medications Act:
- 1. Only prescription drugs in their original sealed unit dose packaging or unused injectables shall be accepted and dispensed pursuant to the Utilization of Unused Prescription Medications Act;

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- 2. The packaging must be unopened, except that cancer drugs packaged in single-unit doses may be accepted and dispensed when the outside packaging is opened if the single-unit-dose packaging has not been opened;
 - 3. Expired prescription drugs shall not be accepted;
- 4. A prescription drug shall not be accepted or dispensed if the person accepting or dispensing the drug has reason to believe that the drug is adulterated;
 - 5. No controlled dangerous substances shall be accepted; and
- 6. Subject to the limitation specified in this section, unused prescription drugs dispensed for purposes of a medical assistance program or drug product donation program, or unused prescription drugs returned by a facility listed in Section 367.3 of this title in exchange for credit or reimbursement, may be accepted and dispensed under the Utilization of Unused Prescription Medications Act.
- SECTION 3. AMENDATORY 59 O.S. 2011, Section 367.5, is amended to read as follows:
- Section 367.5. A. Participation in the Utilization of Unused Prescription Medications Act by pharmacies, nursing homes, assisted living centers, intermediate care facilities for individuals with intellectual disabilities (ICF/IID), charitable clinics or prescription drug manufacturers shall be voluntary. Nothing in the Utilization of Unused Prescription Medications Act shall require any

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pharmacy, nursing home, assisted living center, intermediate care

facility for individuals with intellectual disabilities (ICF/IID),

charitable clinic or prescription drug manufacturer to participate

in the program. Furthermore, a pharmacy that participates in the

program shall have the right to refuse individual returns of unused

prescription medications including, but not limited to, medications

that were purchased by the state Medicaid program.

- B. A pharmacy or charitable clinic which meets the eligibility requirements established in the Utilization of Unused Prescription Medications Act may:
- 1. Dispense dispense prescription drugs donated under the Utilization of Unused Prescription Medications Act to persons who are medically indigent residents of Oklahoma as established in rules by the State Board of Pharmacy; and
- 2. Charge. Such drugs shall not be resold. However, the charitable clinic may charge persons receiving donated prescription drugs a handling fee established by rule by the Board of Pharmacy.
- established in the Utilization of Unused Prescription Medications

 Act may restock and redistribute prescription drugs returned to the pharmacy after the pharmacy has issued the credit or reimbursement to the facility or entity who purchased the prescription drugs. The pharmacy shall not be required to reimburse Medicaid beneficiaries for prescription copayments.

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- <u>D.</u> A pharmacy or charitable clinic which meets the eligibility requirements established and authorized by the Utilization of Unused Prescription Medications Act which accepts donated prescription drugs shall:
- 1. Comply with all applicable federal and state laws related to the storage and distribution of dangerous drugs;
- 2. Inspect all prescription drugs prior to dispensing the prescription drugs to determine that such drugs are not adulterated; and
- 3. Dispense prescription drugs only pursuant to a prescription issued by a health care professional.
- D. Prescription drugs donated under the Utilization of Unused Prescription Medications Act shall not be resold.
- E. For purposes of the Utilization of Unused Prescription Medications Act, reimbursement from governmental agencies to charitable clinics shall not be considered resale of prescription drugs.
- SECTION 4. AMENDATORY 59 O.S. 2011, Section 367.6, is amended to read as follows:

Section 367.6. A. For matters related only to the lawful donation, return, acceptance, or dispensing of prescription drugs under the Utilization of Unused Prescription Medications Act, the following persons and entities, in compliance with the Utilization of Unused Prescription Medications Act, in the absence of bad faith

or gross negligence, shall not be subject to criminal or civil liability for injury other than death, or loss to person or property, or professional disciplinary action:

- 1. The State Board of Pharmacy;
- The Department of Mental Health and Substance Abuse Services;
- 3. Any prescription drug manufacturer, governmental entity, nursing home, or assisted living center, intermediate care facility for individuals with intellectual disabilities (ICF/IID) donating or returning prescription drugs under the Utilization of Unused Prescription Medications Act;
- 4. Any prescription drug manufacturer or its representative that directly donates prescription drugs in professional samples to a charitable clinic or a pharmacy under the Utilization of Unused Prescription Medications Act;
- 5. Any pharmacy, charitable clinic or health care professional that accepts or dispenses prescription drugs under the Utilization of Unused Prescription Medications Act; and
- 6. Any pharmacy, or charitable clinic, city-county pharmacy or other state-contracted pharmacy that employs a health care professional who accepts or can legally dispense prescription drugs under the Utilization of Unused Prescription Medications Act and the Oklahoma Pharmacy Act.

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- B. For matters related to the donation, return, acceptance, or dispensing of a prescription drug manufactured by the prescription drug manufacturer that is donated by any entity under the Utilization of Unused Prescription Medications Act, a prescription drug manufacturer shall not, in the absence of bad faith or gross negligence, be subject to criminal or civil liability for injury other than for death, or loss to person or property including, but not limited to, liability for failure to transfer or communicate product or consumer information or the expiration date of the donated prescription drug.
- SECTION 5. AMENDATORY 59 O.S. 2011, Section 367.7, is amended to read as follows:

Section 367.7. A. The <u>State</u> Board of Pharmacy shall promulgate emergency rules by December 1, 2004, to implement the Utilization of Unused Prescription Medications Act. Permanent rules shall be promulgated pursuant to the Administrative Procedures Act. Such rules shall include:

- 1. Eligibility criteria for pharmacies and charitable clinics authorized to receive and dispense donated prescription drugs under the Utilization of Unused Prescription Medications Act;
- 2. Establishment of a formulary which shall include all prescription drugs approved by the federal Food and Drug Administration;

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- 3. Standards and procedures for transfer, acceptance, safe storage, security, and dispensing of donated prescription drugs;
- 4. A process for seeking input from the State Department of Health in establishing provisions which affect nursing homes and assisted living centers;
- 5. A process for seeking input from the Department of Mental Health and Substance Abuse Services in establishing provisions which affect mental health and substance abuse clients;
- 6. Standards and procedures for inspecting donated prescription drugs to ensure that the drugs are in compliance with the Utilization of Unused Prescription Medications Act and to ensure that, in the professional judgment of the pharmacist, the medications meet all federal and state standards for product integrity;
- 7. Procedures for destruction of medications that are donated which are controlled substances;
- 8. Procedures for verifying whether the pharmacy and responsible pharmacist participating in the program are licensed and in good standing with the Board of Pharmacy;
- 9. Establishment of standards for acceptance of unused prescription medications from assisted living centers; and
- 10. Procedures for credit and reimbursement for returns of unused prescription medications; and

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1	11. Any other standards and procedures the Board of Pharmacy
2	deems appropriate or necessary to implement the provisions of the
3	Utilization of Unused Prescription Medications Act.
4	B. In accordance with the rules and procedures of the program
5	established pursuant to this section, a resident of a nursing
6	facility or assisted living center, or the representative or
7	guardian of a resident may donate unused prescription medications,
8	other than prescription drugs defined as controlled dangerous
9	substances by Section 2-101 of Title 63 of the Oklahoma Statutes,
10	for dispensation to medically indigent persons.
11	SECTION 6. This act shall become effective November 1, 2021.
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