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IN THE HOUSE BY THE FREE CONFERENCE COMMITTEE

FREE CONFERENCE CS FOR SENATE CS FOR CS FOR HOUSE BILL NO. 584

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to the Pharmacy Act."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 08.80.030(3) is amended to read:

(3) investigate [,] individually, [OR] collectively, or through its agent, for [ALL ALLEGED] violations of this chapter, or of any other state or federal statute relating to the practice of pharmacy;

* Sec. 2. AS 08.80.295 is repealed and re-enacted to read:

Sec. 08.80.295. SUBSTITUTION. (a) Except as limited by (b) and (c) of this section, with the consent of the purchaser, the pharmacist may substitute a drug product with the same generic name in the same strength, quantity, dose and dosage form as the prescribed drug which is, in the pharmacist's professional opinion, therapeutically equivalent and meets the standards of (f) of this section. Upon substitution the pharmacist shall notify the purchaser and the person who prescribed the drug of the substitution and of the drug substituted.

(b) A person authorized to prescribe drugs shall specify in writing or by oral communication whether or not the pharmacist may substitute a drug under (a) of this section. Written specification may be accomplished either by (1) the physician personally initialing or checking the appropriate box on a prescription order form labeled "DISPENSE AS WRITTEN" or "SUBSTITUTION ALLOWED"; or (2) by hand writing on the prescription order. If the physician fails or neglects to give written specification, the prescription shall be dispensed as written. If the person communicating the specification does so orally, the pharmacist

shall indicate that fact in handwriting on the written copy of the prescription order.

(c) Preprinted prescription order forms used by a person authorized to prescribe drugs shall contain boxes labeled "DISPENSE AS WRITTEN" and "SUBSTITUTION ALLOWED" to be checked or initialled by the person issuing the prescription.

(d) A pharmacist shall substitute a drug product under (a) of this section only when there will be a savings in cost to the purchaser.

(e) For a period of two years following the effective date of this Act, every pharmacy shall post a sign in a location easily seen by patrons at the counter where prescriptions are dispensed stating that "Under Alaska law a therapeutically equivalent but less expensive drug may, in some cases, be substituted for the drug prescribed by your doctor. Please consult your pharmacist or physician." The printing on the sign shall be in block letters not less than one inch in height.

(f) If a person authorized to prescribe drugs is temporarily unavailable, the pharmacist may, if he cannot supply the drug requested, substitute a drug or preparation of approximately equal therapeutic value so long as he notifies the author of the prescription at an early opportunity. The pharmacist in all cases of substitution, except when specifically indicated to the contrary by the prescriber, shall relate the nature of the change to the purchaser.

(g) A pharmacist may not substitute a product under the provisions of this section unless it has been manufactured with the following minimum good manufacturing standards and practices:

(1) maintain quality control standards equal to those of the Food and Drug Administration;

(2) comply with regulations promulgated by the Food and Drug Administration;

(3) mark products with identification code or monogram;

(4) label products with expiration date;

(5) provide reasonable services to accept return goods that have reached their expiration date;

(6) maintain 24-hour resources for product information where practicable and financially feasible;

(7) maintain recall capabilities for unsafe or defective drugs;

(8) shall not refuse to sell to any properly licensed pharmacy.

(h) As used in this section, unless the context requires otherwise,

(1) "brand name" means the proprietary or trade name selected by the manufacturer and placed upon a drug, its container, label or wrapping at the time of packaging;

(2) "generic name" means the official title of a drug or drug ingredients published in the latest edition of a nationally recognized pharmacopoeia or formulary;

(3) "substitute" means to dispense without prescriber's express authorization a different drug product in place of the drug ordered or prescribed;

(4) "therapeutically equivalent" means drugs that will provide essentially the same efficacy and toxicity when administered to an individual in the same dosage regimen.

* Sec. 3. AS 08.80 is amended by adding a new section to read:

Sec. 08.80.297. PRESCRIPTION PRICES AVAILABLE TO CONSUMER. A pharmacist shall disclose the price of filling any prescription when requested by the consumer.

* Sec. 4. AS 08.80.460 is amended by adding a new subsection to read:

(b) A person who violates the provisions of sec. 295 of this chapter is punishable by a civil fine in an amount established by the board in a schedule or schedules establishing the amount of civil fine for a particular violation. The schedule or schedules shall be adopted by the board by regulation. Any civil fine imposed under this section may be appealed in the manner provided for appeals in the Administrative Procedure Act (AS 44.62).