

Introduced: 1/14/76
Referred: Judiciary

1 IN THE SENATE

BY MELAND
AND CROFT

2 SENATE BILL NO. 508

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to substitution of prescription drugs
7 by pharmacists."

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

9 * Section 1. AS 08.80.295 is repealed and re-enacted to read:

10 Sec. 08.80.295. SUBSTITUTION. (a) Except as limited by (b) and
11 (d) of this section, unless the purchaser instructs otherwise, the
12 pharmacist may substitute a drug product with the same generic name in
13 the same strength, quantity, dose and dosage form as the prescribed drug
14 which is, in the pharmacist's professional opinion, therapeutically
15 equivalent.

16 (b) A licensed medical practitioner may specify in writing or by
17 a telephonic communication that there shall be no substitution for the
18 specified brand name drug in any prescription. The phrase "no substi-
19 tution" or words of like import must be in the practitioner's hand-
20 writing or, if the prohibition was communicated by telephonic communica-
21 tion, in the pharmacist's handwriting, and shall not be preprinted or
22 stamped or initialed on the prescription form.

23 (c) Every pharmacy shall post a sign in a location easily seen by
24 patrons at the counter where prescriptions are dispensed stating that,
25 "This pharmacy may be able to substitute a less expensive drug which
26 is therapeutically equivalent to the one prescribed by your doctor un-
27 less you do not approve." The printing on the sign shall be in block
28 letters not less than one inch in height.

29 (d) A pharmacist shall substitute a drug product under (a) of

1 this section only when there will be a savings in or no increase in
2 cost to the purchaser.

3 (e) If the physician prescribes a drug by its generic name, the
4 pharmacist shall dispense the lowest retail cost brand which is in
5 stock.

6 (f) Except as provided in (g) of this section, when a pharmacist
7 dispenses a substituted drug as authorized by (a) of this section, he
8 must label the prescription container with the name of the dispensed
9 drug. If the dispensed drug does not have a brand name, the prescrip-
10 tion label shall indicate the generic name of the drug dispensed along
11 with the name of the drug manufacturer.

12 (g) A prescription dispensed by a pharmacist shall bear upon the
13 label the name of the medication in the container except if the pre-
14 scriber writes "do not label", or words of similar import, on the pre-
15 scription or so designates in an oral transmission of the prescription.

16 (h) As used in this section, unless the context requires other-
17 wise,

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

21 (2) "generic name" means the official title of a drug or
22 drug ingredients published in the latest edition of a Pharmacopoeia,
23 Homeopathic Pharmacopoeia or Formulary;

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

27 (4) "therapeutically equivalent" means drugs that will pro-
28 vide essentially the same efficacy and toxicity when administered to
29 an individual in the same dosage regimen.

1 (1) The commissioner of health and social services shall publish a
2 formulary of generic drug types and drug products which the commissioner
3 of health and social services determines demonstrate clinically signi-
4 ficant biological or therapeutic inequivalence and which, if substituted,
5 would pose a threat to the health and safety of patients receiving
6 prescription medication. No pharmacist shall dispense a generically
7 equivalent drug product if the drug product and its generic drug type
8 is included in the formulary.

9 * Sec. 2. AS 08.80.460 is amended by adding a new subsection to read:

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