



General Assembly

February Session, 2002

Bill No. 5025

LCO No. 261

Referred to Committee on Appropriations

Introduced by:

REP. WARD, 86th Dist.

SEN. DELUCA, 32nd Dist.

AN ACT CONCERNING INSTITUTIONAL PHARMACIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (12) of section 20-571 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2002*):

4 (12) "Institutional pharmacy" means that area located within or
5 outside of a care-giving institution or [within] a correctional or juvenile
6 training institution, [commonly known as the pharmacy,] that is under
7 the direct charge of a pharmacist, [and in which drugs are stored and
8 dispensed] is utilized for the storage, management and dispensing of
9 drugs and medical devices and is licensed in accordance with section
10 20-594, as amended by this act. An institutional pharmacy is not
11 required to be owned or operated by the institution to which it
12 dispenses drugs and medical devices.

13 Sec. 2. Section 20-579 of the general statutes is repealed and the
14 following is substituted in lieu thereof (*Effective July 1, 2002*):

15 (a) The commission may refuse to authorize the issuance of a
16 temporary permit to practice pharmacy, may refuse to authorize the
17 issuance or renewal of a license to practice pharmacy, a license to
18 operate a pharmacy, a license to operate an institutional pharmacy or a
19 registration of a pharmacy intern or pharmacy technician, and may
20 revoke or suspend a license or temporary permit to practice pharmacy,
21 a license to operate a pharmacy, a license to operate an institutional
22 pharmacy or a registration of a pharmacy intern or a pharmacy
23 technician, and may assess a civil penalty of up to one thousand
24 dollars or take other action permitted in subdivision (7) of section 21a-
25 7 if the applicant or holder of the license, temporary permit or
26 registration: (1) Has violated a statute or regulation relating to drugs,
27 devices or the practice of pharmacy of this state, any state of the
28 United States, the United States, the District of Columbia, the
29 Commonwealth of Puerto Rico, any territory or insular possession
30 subject to the jurisdiction of the United States or a foreign jurisdiction;
31 (2) has been convicted of violating any criminal statute relating to
32 drugs, devices or the practice of pharmacy of this state, any state of the
33 United States, the United States, the District of Columbia, the
34 Commonwealth of Puerto Rico, any territory or insular possession
35 subject to the jurisdiction of the United States or a foreign jurisdiction;
36 (3) has been disciplined by, or is the subject of pending disciplinary
37 action or an unresolved complaint before, the duly authorized
38 pharmacy disciplinary agency of any state of the United States, the
39 United States, the District of Columbia, the Commonwealth of Puerto
40 Rico, any territory or insular possession subject to the jurisdiction of
41 the United States or a foreign jurisdiction; (4) has been refused a
42 license or registration or renewal of a license or registration by any
43 state of the United States, the United States, the District of Columbia,
44 the Commonwealth of Puerto Rico, any territory or insular possession
45 subject to the jurisdiction of the United States or a foreign jurisdiction
46 based on grounds that are similar to grounds on which Connecticut
47 could refuse to issue or renew such a license or registration; (5) has
48 illegally possessed, diverted, sold or dispensed drugs or devices; (6)

49 abuses or excessively uses drugs, including alcohol; (7) has made false,
50 misleading or deceptive representations to the public or the
51 commission; (8) has maintained exclusive telephone lines to, has
52 maintained exclusive electronic communication with, or has exclusive
53 access to computers located in offices of prescribing practitioners,
54 nursing homes, clinics, hospitals or other health care facilities; (9) has
55 substituted drugs or devices except as permitted in section 20-619; (10)
56 has accepted, for return to regular stock, any drug already dispensed
57 in good faith or delivered from a pharmacy, and exposed to possible
58 and uncontrolled contamination or substitution; (11) has split fees for
59 professional services, including a discount or rebate, with a prescribing
60 practitioner or an administrator or owner of a nursing home, hospital
61 or other health care facility; (12) has entered into an agreement with a
62 prescribing practitioner or an administrator or owner of a nursing
63 home, hospital or other health care facility for the compounding or
64 dispensing of secret formula or coded prescriptions; (13) has
65 performed or been a party to a fraudulent or deceitful practice or
66 transaction; (14) has presented to the commission a diploma, license or
67 certificate illegally or fraudulently obtained, or obtained from a college
68 or school of pharmacy not approved by the commission; (15) has
69 performed incompetent or negligent work; (16) has falsified a
70 continuing education document submitted to the commission or
71 department or a certificate retained in accordance with the provisions
72 of subsection (d) of section 20-600; (17) has permitted a person not
73 licensed to practice pharmacy in this state to practice pharmacy in
74 violation of section 20-605, to use a pharmacist license or pharmacy
75 display document in violation of section 20-608, or to use words,
76 displays or symbols in violation of section 20-609; or (18) has failed to
77 maintain the entire pharmacy premises, its components and contents
78 in a clean, orderly and sanitary condition.

79 (b) The commission may refuse to authorize the issuance of a
80 temporary permit to practice pharmacy, may refuse to authorize the
81 issuance or renewal of a license to practice pharmacy, a license to
82 operate a pharmacy, a license to operate an institutional pharmacy or a

83 registration of a pharmacy intern or pharmacy technician, and may
84 revoke or suspend a license or temporary permit to practice pharmacy,
85 a license to operate a pharmacy, a license to operate an institutional
86 pharmacy or a registration of a pharmacy intern or a pharmacy
87 technician, or take other action permitted in subdivision (7) of section
88 21a-7 if the commission determines that the applicant or holder of the
89 license, temporary permit or registration has a condition including, but
90 not limited to, physical illness or loss of skill or deterioration due to the
91 aging process, emotional disorder or mental illness, abuse or excessive
92 use of drugs or alcohol that would interfere with the practice of
93 pharmacy, operation of a pharmacy, operation of an institutional
94 pharmacy or activities as a pharmacy intern or pharmacy technician,
95 provided the commission may not, in taking action against a license,
96 temporary permit or registration holder on the basis of such a
97 condition, violate the provisions of section 46a-73 or 42 USC Section
98 12132 of the federal Americans with Disabilities Act.

99 Sec. 3. Section 20-583 of the general statutes is repealed and the
100 following is substituted in lieu thereof (*Effective July 1, 2002*):

101 An appeal of a decision by the commission to discipline a person
102 licensed to practice pharmacy or registered as a pharmacy intern or
103 pharmacy technician, to refuse a person's application for a license to
104 practice pharmacy or to refuse to register a person as a pharmacy
105 intern or pharmacy technician shall be made returnable to the judicial
106 district in which the person resides or, if the person does not reside in
107 Connecticut, to the judicial district of New Britain. An appeal of a
108 decision by the commission to discipline the holder of a pharmacy
109 license, the holder of an institutional pharmacy license or the holder of
110 a permit to sell nonlegend drugs or to refuse a person's application for
111 such a license or permit appeal shall be made returnable to the judicial
112 district in which the building or store is located, for which the license
113 or permit was sought or in which it was suspended or revoked. All
114 appeals under the provisions of this section shall be treated as
115 privileged and shall be assigned for trial and tried as soon as may be

116 practicable.

117 Sec. 4. Section 20-594 of the general statutes is repealed and the
118 following is substituted in lieu thereof (*Effective July 1, 2002*):

119 (a) Except as limited by section 20-596, a pharmacist or any other
120 person may apply to the commission for a pharmacy license or an
121 institutional pharmacy license, or for renewal of a pharmacy license or
122 an institutional pharmacy license.

123 (b) The applicant shall disclose on the application the name and
124 address of the applicant and the owner of the pharmacy or
125 institutional pharmacy, the name and street and mailing address of the
126 pharmacy or institutional pharmacy and the name, address and license
127 number of the pharmacist who manages the pharmacy or institutional
128 pharmacy. The commissioner may, by regulation adopted with the
129 advice and assistance of the commission, in accordance with chapter
130 54, require such other information on the application as is necessary
131 for the department to carry out its duties under sections 20-570 to 20-
132 630, inclusive, as amended by this act.

133 (c) The department shall, after receipt of an application under this
134 section, (1) issue, on authorization of the commission, a pharmacy
135 license or institutional pharmacy license to an applicant for a new
136 pharmacy or institutional pharmacy on payment of the fee required in
137 section 20-601, as amended by this act, and on satisfactory evidence to
138 the commission that the pharmacy will be managed by a pharmacist
139 and will be operated in accordance with the general statutes and the
140 regulations adopted by the commissioner in accordance with chapter
141 54, and (2) issue a renewal of a pharmacy license or institutional
142 pharmacy license to an applicant on payment of the fee required in
143 section 20-601, as amended by this act.

144 (d) Pharmacy licenses and institutional pharmacy licenses shall
145 expire annually. Pharmacy licenses and institutional pharmacy licenses
146 may be renewed on application and payment of the fee required in

147 section 20-601, as amended by this act, for a period not to exceed one
148 year.

149 (e) When a pharmacy or institutional pharmacy is transferred to a
150 new location the pharmacy license or institutional pharmacy license
151 for such pharmacy or institutional pharmacy shall terminate. A
152 pharmacy license or institutional pharmacy license that has been
153 terminated under this subsection may be renewed under the
154 provisions of subsection (d) of this section and on satisfactory evidence
155 to the commission that the pharmacy or institutional pharmacy will be
156 managed by a pharmacist and will be operated in accordance with the
157 general statutes and the regulations adopted by the commissioner in
158 accordance with chapter 54.

159 Sec. 5. Section 20-595 of the general statutes is repealed and the
160 following is substituted in lieu thereof (*Effective July 1, 2002*):

161 Any corporation applying for a new or renewal pharmacy license or
162 institutional pharmacy license under the provisions of section 20-594,
163 as amended by this act, shall state in the application the names of the
164 officers and directors of the corporation. Notice of any change in such
165 officers or directors shall be given by the corporation to the
166 commission within ten days after the change. Such notice shall be
167 accompanied by the filing fee set forth in section 20-601, as amended
168 by this act. Any such corporation that fails to give notice of a change in
169 the officers or directors of the corporation within ten days of the
170 change shall pay the late fee required in section 20-601, as amended by
171 this act.

172 Sec. 6. Section 20-597 of the general statutes is repealed and the
173 following is substituted in lieu thereof (*Effective July 1, 2002*):

174 (a) No place of business may be operated as a pharmacy or
175 institutional pharmacy unless a pharmacy license or institutional
176 pharmacy license has been issued for the place of business and unless
177 it is under the direct supervision of a pharmacist on the premises,

178 except that the commissioner, with the advice and assistance of the
179 commission, shall adopt regulations, in accordance with chapter 54,
180 that specify when a pharmacy or institutional pharmacy may remain
181 open for business during hours when a pharmacist is not present and
182 directly supervising such pharmacy or institutional pharmacy. Such
183 regulations shall include, but not be limited to: (1) A provision
184 requiring that the prescription department be closed and properly
185 secured during times when a pharmacist is not present; (2) the
186 minimum number of hours of operation applicable to the prescription
187 department; (3) requirements for the physical security of the
188 prescription department; (4) requirements for the physical security of
189 legend drugs, controlled substances and legend devices stored in all
190 areas of the pharmacy or institutional pharmacy; and (5) a definition of
191 the term "prescription department".

192 (b) In addition to the on-premises supervision of a pharmacy or
193 institutional pharmacy required in subsection (a) of this section, a
194 pharmacy or institutional pharmacy shall be managed by a pharmacist
195 practicing at the pharmacy or institutional pharmacy on a full-time
196 basis who is listed as manager in the application for a pharmacy
197 license or institutional pharmacy license made under section 20-594, as
198 amended by this act, or enrolled with the commission under
199 subsection (c) of this section. The managing pharmacist may also act as
200 the supervising pharmacist. No pharmacist may manage more than
201 one pharmacy or institutional pharmacy at the same time.

202 (c) The person to whom a pharmacy license or institutional
203 pharmacy license has been issued shall immediately notify the
204 commission whenever the pharmacist who manages the pharmacy or
205 institutional pharmacy ceases such management and shall
206 immediately enroll with the commission the name, address and license
207 number of the pharmacist who assumes management of the pharmacy
208 or institutional pharmacy. The notice of change in management of a
209 pharmacy or institutional pharmacy required to be filed with the
210 commission under this section shall be accompanied by the filing fee

211 required in section 20-601, as amended by this act. The pharmacist
212 who ceases management of the pharmacy or institutional pharmacy
213 shall also immediately notify the commission of that fact.

214 (d) The person to whom a pharmacy license or institutional
215 pharmacy license has been issued shall immediately notify the
216 commission of a change in ownership of the pharmacy or institutional
217 pharmacy and of a change in name of the pharmacy or institutional
218 pharmacy. The notice shall be accompanied by the filing fee required
219 in section 20-601, as amended by this act. Any such person who fails to
220 give the notice of a change in ownership or name of the pharmacy or
221 institutional pharmacy within ten days of the change shall pay the late
222 fee required in section 20-601, as amended by this act.

223 Sec. 7. Section 20-601 of the general statutes is repealed and the
224 following is substituted in lieu thereof (*Effective July 1, 2002*):

225 The department shall collect the following nonrefundable fees:

226 (1) The fee for issuance of a pharmacist license is one hundred
227 dollars, payable at the date of application for the license.

228 (2) The fee for applying to take the pharmacist license examination
229 required in section 20-590 and in section 20-591 is one hundred fifty
230 dollars, payable at the date of application for the pharmacist license.

231 (3) The fee for renewal of a pharmacist license is the professional
232 services fee for class A, as defined in section 33-182l. Before the
233 commission grants a license to an applicant who has not held a license
234 authorized by the commission within five years of the date of
235 application, the applicant shall pay the fees required in subdivisions
236 (1) and (2) of this section.

237 (4) The fee for issuance of a pharmacy license or institutional
238 pharmacy license is six hundred dollars.

239 (5) The fee for renewal of a pharmacy license or institutional

240 pharmacy license is one hundred fifty dollars.

241 (6) The late fee for an application for renewal of a license to practice
242 pharmacy, a pharmacy license, an institutional pharmacy license or a
243 permit to sell nonlegend drugs is the amount set forth in section 21a-4.

244 (7) The fee for notice of a change in officers or directors of a
245 corporation holding a pharmacy license or institutional pharmacy
246 license is thirty dollars for each pharmacy license or institutional
247 pharmacy license held. A late fee for failing to give such notice within
248 ten days of the change is twenty-five dollars in addition to the fee for
249 notice.

250 (8) The fee for filing notice of a change in name, ownership or
251 management of a pharmacy or institutional pharmacy is forty-five
252 dollars. A late fee for failing to give such notice within ten days of the
253 change is twenty-five dollars in addition to the fee for notice.

254 (9) The fee for application for registration as a pharmacy intern is
255 thirty dollars.

256 (10) The fee for application for a permit to sell nonlegend drugs is
257 seventy dollars.

258 (11) The fee for renewal of a permit to sell nonlegend drugs is fifty
259 dollars.

260 (12) The late fee for failing to notify the commission of a change of
261 ownership, name or location of the premises of a permit to sell
262 nonlegend drugs within five days of the change is ten dollars.

263 (13) The fee for issuance of a nonresident pharmacy certificate of
264 registration is six hundred dollars.

265 (14) The fee for renewal of a nonresident pharmacy certificate of
266 registration is one hundred fifty dollars.

267 (15) The fee for application for registration as a pharmacy technician

268 is fifty dollars.

269 (16) The fee for renewal of a registration as a pharmacy technician is
270 twenty-five dollars.

271 (17) The fee for issuance of a temporary permit to practice pharmacy
272 is one hundred dollars.

273 Sec. 8. Subsection (a) of section 20-610 of the general statutes, as
274 amended by section 1 of public act 01-65, is repealed and the following
275 is substituted in lieu thereof (*Effective July 1, 2002*):

276 (a) No legend drug, legend device or drugs listed in subsection (b)
277 of this section may be dispensed or sold at retail except (1) in a
278 pharmacy, (2) by a hospital licensed under sections 19a-490 to 19a-503,
279 inclusive, as amended, through its institutional pharmacy to an
280 employee of the hospital when prescribed by a prescribing practitioner
281 for the employee or the employee's spouse or dependent children, or
282 (3) by such hospital to a retiree of such hospital or the retiree's spouse
283 in accordance with the retiree's retirement or pension plan.

284 Sec. 9. Section 20-612 of the general statutes is repealed and the
285 following is substituted in lieu thereof (*Effective July 1, 2002*):

286 Only a pharmacy or an institutional pharmacy shall accept a
287 prescription for dispensing. No employee, personnel or owner of a
288 place of business or establishment not licensed as a pharmacy or
289 operating an institutional pharmacy may accept a prescription for
290 transfer to or for collection for a pharmacy.

291 Sec. 10. Section 20-613 of the general statutes is amended by adding
292 subsections (e) and (f) as follows (*Effective July 1, 2002*):

293 (NEW) (e) An institutional pharmacy may dispense drugs and
294 medical devices to the patients or residents of the institution, or to
295 patients or residents of other institutions. In instances where an

296 institutional pharmacy dispenses drugs or medical devices to an
297 institution that does not own or operate such institutional pharmacy,
298 there must be a written agreement between the institutional pharmacy
299 and the institution to which the drugs or medical devices are
300 dispensed that governs the dispensing activity.

301 (NEW) (f) An institutional pharmacy, operated by the state, may act
302 as a contract pharmacy for purposes of dispensing drugs and
303 providing pharmacy services in accordance with the provisions of
304 Section 340b of the federal Public Health Service Act.

305 Sec. 11. Subsection (a) of section 20-614 of the general statutes is
306 repealed and the following is substituted in lieu thereof (*Effective July*
307 *1, 2002*):

308 (a) A prescription shall be transmitted in either an oral, written or
309 electronic manner to a pharmacy or institutional pharmacy.

310 Sec. 12. Subsection (a) of section 21a-70 of the general statutes, as
311 amended by section 25 of public act 01-9 of the June special session, is
312 repealed and the following is substituted in lieu thereof (*Effective July*
313 *1, 2002*):

314 (a) As used in this section: (1) "Wholesaler" or "distributor" means a
315 person, whether within or without the boundaries of the state of
316 Connecticut, who supplies drugs, medical devices or cosmetics
317 prepared, produced or packaged by manufacturers, to other
318 wholesalers, manufacturers, distributors, hospitals, prescribing
319 practitioners, as defined in subdivision (22) of section 20-571,
320 pharmacies, federal, state or municipal agencies, clinics or any other
321 person as permitted under subsection (h) of this section, except that a
322 retail pharmacy [or a pharmacy within a licensed hospital] which
323 supplies to another such pharmacy a quantity of a noncontrolled drug
324 or a schedule III, IV or V controlled substance normally stocked by
325 such pharmacies to provide for the immediate needs of a patient
326 pursuant to a prescription or medication order of an authorized

327 practitioner, [a pharmacy within a licensed hospital which supplies
 328 drugs to another hospital or an authorized practitioner for research
 329 purposes, and] a retail pharmacy which supplies a limited quantity of
 330 a noncontrolled drug or of a schedule II, III, IV or V controlled
 331 substance for emergency stock to a practitioner who is a medical
 332 director of a chronic and convalescent nursing home, of a rest home
 333 with nursing supervision or of a state correctional institution, and an
 334 institutional pharmacy as defined in section 20-571, as amended by this
 335 act, that provides drugs in accordance with subsections (e) and (f) of
 336 section 20-613, as amended by this act, shall not be deemed a
 337 wholesaler under this section; (2) "manufacturer" means a person
 338 whether within or without the boundaries of the state of Connecticut
 339 who produces, prepares, cultivates, grows, propagates, compounds,
 340 converts or processes, directly or indirectly, by extraction from
 341 substances of natural origin or by means of chemical synthesis or by a
 342 combination of extraction and chemical synthesis, or who packages,
 343 repackages, labels or relabels a container under such manufacturer's
 344 own or any other trademark or label any drug, device or cosmetic for
 345 the purpose of selling such items. The words "drugs", "devices" and
 346 "cosmetics" shall have the meaning ascribed to them in section 21a-92;
 347 and (3) "commissioner" means the Commissioner of Consumer
 348 Protection.

This act shall take effect as follows:	
Section 1	July 1, 2002
Sec. 2	July 1, 2002
Sec. 3	July 1, 2002
Sec. 4	July 1, 2002
Sec. 5	July 1, 2002
Sec. 6	July 1, 2002
Sec. 7	July 1, 2002
Sec. 8	July 1, 2002
Sec. 9	July 1, 2002
Sec. 10	July 1, 2002
Sec. 11	July 1, 2002

Sec. 12

July 1, 2002

Statement of Purpose:

To implement the Governor's budget recommendations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]