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## **OLR Bill Analysis**

### **SB 197**

#### ***AN ACT CONCERNING BIOLOGICAL PRODUCTS.***

##### **SUMMARY**

This bill generally allows pharmacists to substitute a biological product for a prescribed biological product as long as the substitute is an interchangeable biological product and the prescribing practitioner has not prohibited the substitution. It extends to these substitutions many of existing law's provisions on substituting brand name drugs with generic ones.

The bill also establishes requirements applicable only to biological and interchangeable biological products, including requiring (1) practitioners to discuss with patients the treatment methods, alternatives to, and risks associated with using a biological product and (2) a dispensing pharmacist to inform prescribers and patients of a substitution. The bill prohibits, from October 1, 2018 to December 31, 2019, delivering interchangeable biological products to a patient through mail, shipment, or parcel delivery service.

A "biological product" is generally a virus; therapeutic serum; toxin or antitoxin; vaccine; blood or blood component or derivative; allergenic product; protein, but not a chemically synthesized polypeptide; or arsphenamine or a derivative of it, which is used to prevent, treat, or cure a human disease or condition.

The bill also makes minor and technical changes, including (1) eliminating the option for a generic drug prescription label to have the distributor's name instead of the manufacturer's name, (2) allowing prescribers to order a biological product's name to be withheld from the prescription container's label, and (3) removing an unnecessary definition for "antiepileptic drug."

EFFECTIVE DATE: October 1, 2018

## **PRESCRIBING BIOLOGICAL PRODUCTS**

The bill requires practitioners to discuss with patients the treatment methods, alternatives to, and risks associated with using a biological product before prescribing one. Practitioners must document the discussion in the patient's medical record within 24 hours after the discussion.

## **BIOLOGICAL PRODUCT SUBSTITUTION**

### ***Interchangeability***

The bill defines "interchangeable biological product" as a biological product that (1) the federal Food and Drug Administration (FDA) has licensed and determined meets the interchangeability standards under federal law or (2) is therapeutically equivalent to another biological product, as set forth in the latest edition of, or supplement to, its *Approved Drug Products with Therapeutic Equivalence Evaluations* publication (see BACKGROUND).

Under federal law, a biological product is considered interchangeable if the FDA finds that it is (1) biosimilar (i.e., highly similar, other than minor differences in inactive components, with no meaningful differences in safety, purity, and potency) to the original licensed product and (2) expected to produce the same clinical result in any given patient. For biological products administered to a patient more than once, the risk from switching between the biological product and the original licensed product must be no greater than if only the original product was used.

### ***Notification***

Under the bill, upon dispensing an interchangeable biological product, a pharmacist or his or her authorized agent must inform the patient or the patient's representative of the substitution. Additionally, within 48 hours after dispensing the product, the pharmacist must (1) inform the prescribing practitioner and (2) document the substitution by making an entry into an electronic record (see below).

### ***Labeling***

As is the case for drug product substitutions, pharmacists must label the prescription container with the name of the interchangeable biological product, or if it doesn't have a brand name, the nonproprietary name of the product, along with the name of the manufacturer.

### ***Prohibited Substitutions***

***Prescriber order.*** Under the bill, practitioners may prohibit substitutions for prescribed biological products in the same way that existing law authorizes them to prohibit substitutions for brand name drugs (e.g., specifying on the prescription form "no substitution" or "brand medically necessary").

***Cost savings.*** Under the bill, as is the case for drug product substitutions, there must be a cost savings to the purchaser for an interchangeable biological product substitution to occur. If a patient asks, the pharmacist must disclose the savings amount.

***Purchaser objection.*** Like drug product substitutions, the bill also allows purchasers to reject an interchangeable biological product substitution.

***Epilepsy or seizure treatment.*** The bill extends to biological products existing law's limitations on filling prescriptions for prescribed drugs to treat epilepsy or prevent seizures. Specifically, it prohibits filling a biological product prescription by using a different manufacturer or distributor unless the pharmacist (1) gives the patient and the prescribing practitioner prior notice of the substitution and (2) receives written consent from the practitioner.

## **ELECTRONIC RECORDS**

The bill requires pharmacists, or their designees, within 48 hours after dispensing an interchangeable biological product, to record its name and manufacturer in a way that notifies the prescribing practitioner. The information may be made available through:

1. an interoperable electronic medical records system,

2. an electronic prescribing technology,
3. a pharmacy benefit management system, or
4. a pharmacy record.

If an entry is not made by one of the above means, the pharmacist must let the prescriber know about the dispensed product, by fax, telephone, or electronic transmission. However, no such communication is necessary when (1) a refill prescription is the same as the originally dispensed product or (2) the product is dispensed by a hospital pharmacy.

## **MISCELLANEOUS PROVISIONS**

### ***Signs***

Under existing law, pharmacies must post signs, near counters where prescriptions are dispensed, informing purchasers that they may substitute less expensive and therapeutically equivalent drug products. The bill requires the signs to include notice that these rules also apply to interchangeable biological products.

### ***Regulations***

The bill requires the consumer protection commissioner, with help from the Commission of Pharmacy, to amend the department's regulations to carry out the bill's provisions.

### ***Study***

The bill requires the consumer protection commissioner to study the impact of delivering interchangeable biological products to patients through mail, shipment, or parcel delivery service and report her findings to the General Law Committee by December 31, 2019.

## **BACKGROUND**

### ***Approved Drug Products with Therapeutic Equivalence Evaluations***

The *Approved Drug Products with Therapeutic Equivalence Evaluations* publication (i.e., the Orange Book) identifies drug products approved by the FDA on the basis of safety and effectiveness under the Federal Food, Drug, and Cosmetic Act and related patent and

exclusivity information.

**COMMITTEE ACTION**

General Law Committee

Joint Favorable

Yea 14 Nay 3 (03/15/2018)