

HOUSE No. 3600

The Commonwealth of Massachusetts

HOUSE OF REPRESENTATIVES, July 29, 2013.

The committee on Health Care Financing to whom was referred the Bill relative to pharmacy practice in the Commonwealth (House, No. 3548), reports recommending that the bill ought to pass with an amendment substituting therefor the accompanying bill (House, No. 3600) [Cost: Greater than \$100,000.00].

For the committee,

STEVEN M. WALSH.

The Commonwealth of Massachusetts

—————
In the Year Two Thousand Thirteen
—————

An Act relative to Pharmacy Practice in the Commonwealth.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 35X of chapter 10 of the General Laws, as appearing in the 2012 Official
2 Edition, is hereby amended by adding the following subsection:—

3 (e) There shall be deposited to the fund any money penalties collected under section 42
4 7/8 of chapter 112. Such funds shall be held separately and used by the commissioner in
5 accordance with the requirements of said section.

6 SECTION 2. Chapter 13 of the General Laws is hereby amended by striking out section 22 and
7 inserting in place thereof the following sections: -

8 Section 22. (a) There shall be a board of registration in pharmacy, called the “board” in
9 this section and sections 23 to 25A inclusive. The governor shall appoint 11 members to the
10 board. Members shall be residents of the commonwealth. The composition of the board shall be
11 as follows: 6 registered pharmacists; 1 pharmacy technician; 1 representatives of the public with
12 experience in health care service delivery, administration, or consumer advocacy, subject to the
13 provisions of section 9B; 1 physician registered under chapter 112; 1 nurse registered under
14 chapter 112; and 1 expert in patient safety and quality improvement.

15 (b) The 6 registered pharmacists shall each have had at least 7 consecutive years of
16 experience in the practice of pharmacy and shall be currently employed in the practice of
17 pharmacy in the commonwealth at the time of appointment or reappointment.

18 (c) At the time of appointment or reappointment to the board, at least 1 of the 6 registered
19 pharmacist members shall be an independent pharmacist employed in the independent pharmacy
20 setting. For the purposes of this section “independent pharmacist” shall mean a pharmacist
21 actively engaged in the business of retail pharmacy and employed in an organization of 9 or
22 fewer registered retail drugstores in the commonwealth under section 39 of chapter 112 and
23 employing not more than 20 full-time pharmacists.

24 (d) At the time of appointment or reappointment to the board, at least 1 of the 6 registered
25 pharmacist members shall be a chain pharmacist employed in the chain pharmacy setting. For the
26 purposes of this section “chain pharmacist” shall mean a pharmacist in the employ of a retail
27 drug organization operating 10 or more retail drug stores within the commonwealth under
28 section 39 of chapter 112.

29 (e) At the time of appointment or reappointment to the board, at least 1 of the 6 registered
30 pharmacist members shall have had at least 7 years of experience in a hospital setting in the
31 commonwealth.

32 (f) At the time of appointment or reappointment to the board, at least 1 of the 6 registered
33 pharmacist members shall have had at least 7 years of experience employed in a long-term care
34 pharmacy setting.

35 (g) At the time of appointment or reappointment to the board, at least 1 of the 6 registered
36 pharmacist members shall have had at least 7 years of experience in the practice of compounding

37 sterile drug preparations, as defined in section 39D of chapter 112, and shall be engaged in
38 compounding sterile drug preparations as a routine function of their employment.

39 (h) At the time of appointment or reappointment to the board, at least 1 of the 6 registered
40 pharmacist members shall be employed in an academic or scholarly position with an institution
41 of higher learning licensed under the laws of the commonwealth.

42 (i) Not more than 1 pharmacist in any 1 practice setting defined in subsections (c) to (g),
43 inclusive, may serve on the board at any one time.

44 (j) At the time of appointment or reappointment to the board, the pharmacy technician
45 member shall have had at least 7 years of practical experience as a pharmacy technician and shall
46 actually be engaged in the practice of pharmacy as a routine function of their employment.

47 (k) At the time of appointment or reappointment to the board, no registered pharmacist or
48 pharmacy technician shall have had any type of disciplinary or enforcement action taken against
49 them by the board or the federal Food and Drug Administration or the federal Drug Enforcement
50 Administration during the 10 years preceding their appointment to the board.

51 (l) For the purposes of this section, “public member” shall mean a person whose
52 background and experience qualify them to act on the board in the public interest, including
53 experience in health care service delivery, administration, or consumer advocacy, and who meets
54 the provisions of paragraph (4) of subsection (a) of section 9B.

55 (m) Board members shall be appointed and shall serve for a term of 3 years from the first
56 of the month following appointment. No member may serve more than 2 consecutive terms on

57 the board. Members who have served the maximum number of consecutive terms shall be
58 eligible for reappointment after not serving for at least one term.

59 (n) Board members may be removed by the governor, only for reasonable cause of
60 neglect of duty, misconduct, malfeasance, or misfeasance in office. Prior to removal, such
61 member shall be given written notice of the basis for removal and be afforded a hearing before
62 the governor or designee. Such member may appear at the hearing with witnesses and be
63 represented by counsel. The hearing shall be held within 21 days of the notice.

64 SECTION 3. Section 23 of chapter 13, as so appearing, is hereby amended by adding the
65 following paragraph:-

66 A member may serve up to 1 year as secretary and up to 1 year as president during any
67 single term

68 SECTION 4. Section 25 of chapter 13, as so appearing, is hereby amended by striking
69 out, in line 1, the words “no more than six”.

70 SECTION 5. Chapter 13, as so appearing, is hereby further amended by inserting after
71 section 25 the following section:-

72 Section 25A. As directed by the board, all inspecting agents shall be trained in United
73 States Pharmacopeia/National Formulary chapters 797 and 795 as well as additional sterile
74 compounding surveyor courses. This training shall include, but not be limited to, programs
75 offered free of charge by the National Association of Boards of Pharmacy.

76 SECTION 6. Section 21 of chapter 94C, as appearing in the 2012 Official Edition, is
77 hereby amended by adding the following 3 paragraphs:

78 The labeling provisions of this section shall apply to the compounding and dispensing of
79 drugs on the oral or written prescription of a licensed and registered prescriber under section 9.

80 All compounded drug preparations compounded, made or formulated by a pharmacy
81 licensed by the board of registration in pharmacy shall have affixed to their container by the
82 compounding pharmacy a label notifying prescribed users and practitioners of the fact that the
83 drug is either a sterile or non-sterile compounded drug preparation.

84 All sterile compounding pharmacies, as defined in section 39D of chapter 112, shall
85 provide a telephone number, which shall be staffed during regular hours of operation and not less
86 than 7 days and 56 hours per week, to foster communication between patients in the
87 commonwealth and a pharmacist employed by the pharmacy with access to the patient's records.
88 The phone number shall also be affixed to the container, alongside the label notifying prescribed
89 users and practitioners of the fact that the drug is a compounded drug preparation.

90 SECTION 7. Section 51H of chapter 111, as so appearing, is hereby amended by striking
91 out the definition "serious adverse drug event" and inserting in place thereof the following
92 definition:-

93 "Serious adverse drug event", any untoward medical occurrence associated with the use
94 of a drug in humans that results in any of the following outcomes: (i) death; (ii) a life-threatening
95 outcome; (iii) inpatient hospitalization or prolongation of existing hospitalization; (iv) a
96 persistent or significant incapacity or substantial disruption of the ability to conduct normal life
97 functions; (v) a congenital anomaly or birth defect; or (vi) any other kind of harm as determined
98 by the department in regulation. Important medical occurrences associated with the use of a drug
99 in humans that may not result in death, be life-threatening, or require hospitalization may be

100 considered serious when, based upon appropriate medical judgment, they may jeopardize the
101 patient or subject and may require medical or surgical intervention to prevent one of the
102 outcomes listed in this definition.

103 SECTION 8. Subsection (b) of section 51H of chapter 111, as so appearing, is hereby
104 amended by adding the following sentence:- The facility who discovers a serious adverse drug
105 event resulting from a patient's use, consumption or interaction with any pharmaceutical or drug
106 preparation, shall report the event to the federal Food and Drug Administration's MedWatch
107 Program, as well as the pharmacy from which the drug was produced, compounded or dispensed
108 in addition to all other reporting requirements.

109 SECTION 9. Section 51H of chapter 111, as so appearing, is hereby further amended by
110 inserting after the word "reduction", in line 29, the following words:- "the bureau of healthcare
111 safety and quality within the department and the board of registration in pharmacy.

112 SECTION 10. Section 2 of chapter 111N, as so appearing, is hereby amended by striking
113 out the first paragraph and inserting in place thereof the following paragraph:-

114 Notwithstanding any general or special law to the contrary, the department shall adopt a
115 standard marketing code of conduct for all pharmaceutical compounding or manufacturing or
116 medical device manufacturing companies that employ a person to sell or market prescription
117 drugs or medical devices in the commonwealth. The marketing code of conduct shall be based on
118 applicable legal standards and incorporate principles of health care including, without limitation;
119 requirements that the activities of the pharmaceutical compounder or manufacturer or medical
120 device manufacturer agents be intended to benefit patients, enhance the practice of medicine and
121 not interfere with the independent judgment of health care practitioners. In promulgating

122 regulations for a marketing code of conduct, the department adopt regulations that shall be no
123 less restrictive than the most recent version of the Code on Interactions with Healthcare
124 Professionals developed by the Pharmaceutical Research and Manufacturers of America and the
125 Code on Interactions with Healthcare Professionals developed by the Advanced Medical
126 Technology Association.

127 SECTION 11. Section 24 of chapter 112 of the General Laws, as appearing in the 2012
128 Official Edition is hereby amended by striking out the word “forty-two”, in line 5, and inserting
129 in place thereof the following word:- 42A.

130 SECTION 12. Section 24A of chapter 112 as so appearing, is hereby amended by striking
131 out the second paragraph and inserting in place thereof the following 3 paragraphs:-

132 The board shall require each registered pharmacist seeking personal registration renewal
133 to complete continuing education requirements as a condition precedent to such renewal. No
134 registrant shall be eligible for renewal of a personal registration without completion of the
135 requisite number of contact hours for such renewal. A registrant seeking renewal of a personal
136 registration must complete a minimum of 20 contact hours each calendar year of the 2-year
137 renewal cycle. Of the 20 contact hours effective for the renewal period beginning January 1,
138 2014 any pharmacist licensed by the commonwealth shall devote at least 2 of the 20 contact
139 hours in the area of sterile compounding; provided, however, that any pharmacist licensed by the
140 commonwealth and practicing in a licensed specialty sterile compounding pharmacy shall devote
141 at least 5 of the 20 contact hours in the area of sterile compounding.

142 The board, in consultation with an advisory committee of industry experts as established
143 by section 42¾, shall adopt further rules and regulations for a system of continuing education, in

144 addition to the aforementioned requirements listed in this section. The board shall accept all
145 conferences and programs from providers approved by the American Council on Pharmaceutical
146 Education meeting these requirements.

147 The board shall conduct audits of randomly selected, renewed licenses. The board shall
148 initiate such audits by sending those selected for an audit a request to provide documentation
149 establishing completion of contact hour requirements. The name and date of licensees included
150 in an audit shall be posted on the board's website. Licensees who are not in compliance with
151 contact hour requirements or fail to provide the requested documentation within 7 days of
152 receiving a request shall be fined not more than \$1000.

153 SECTION 13. Said chapter 112, as so appearing, is hereby further amended by inserting
154 after section 25 the following section:-

155 Section 25A (a) The board shall submit an annual report to the joint committee on public
156 health and joint committee on health care financing on or before December 31 detailing the
157 investigatory and disciplinary actions conducted by the board; provided further, that the initial
158 report shall detail: (1) each complaint received by the board or initiated by the board; (2) the date
159 of the complaint; (3) the violation alleged; (4) the name of any state or federal agencies that
160 collaborated with the investigation; (5) the summary of and rationale for the final decision of the
161 board to; (i) dismiss the complaint, (ii) impose an informal sanction or penalty, (iii) impose a
162 formal sanction or penalty; or (iv) amend a previously issued sanction or penalty; and (6)
163 whether or not the board reported the result of its investigation to another state board, federal
164 agency or external entity.

165 (b) All relevant data collected, synthesized and analyzed under subsections (b) through
166 (e), inclusive, of section 39D shall also be summarized and included in this report which the
167 board shall compile and submit annually to the joint committee on public health, the joint
168 committee on health care financing and the commissioner of public health on or before
169 December 31 and shall make the compilation widely available, including by electronic means, to
170 the public and all hospitals, pharmacies and health care providers doing business in the
171 commonwealth.

172 SECTION 14. Section 32 of chapter 112 of the General Laws, as so appearing, is hereby
173 amended by the following paragraph:-

174 The board shall participate in any national data reporting system which provides
175 information on individual pharmacies, pharmacists and pharmacy technicians including, but not
176 limited to, relevant databases maintained by the National Association of the Boards of Pharmacy
177 and the federal Food and Drug Administration.

178 SECTION 15. The second paragraph of section 39 of said chapter 112, as so appearing, is
179 hereby amended by striking out the second sentence.

180 SECTION 16. Said section 39 of said chapter 112, as so appearing, is hereby amended by
181 adding the following paragraph:-

182 The board of registration in pharmacy may establish specialty pharmacy licensure
183 categories beyond those delineated in this section, and in sections 39A to C, inclusive, and in
184 sections 39D ½ through 39G, through promulgation of regulations as deemed necessary by the
185 board in consultation with the commissioner of public health. The board shall determine which
186 regulations, applicable to a retail drug business registered under section 39, shall apply to a

187 pharmacy registered under this section and may establish regulations which shall apply only to a
188 licensure category established under this provision. The licensure fee shall be determined
189 annually by the secretary of administration and finance under section 3B of chapter 7.

190 SECTION 17. Chapter 112 of the General Laws, as so appearing, is hereby amended by
191 striking out section 39D and inserting in place thereof the following 4 sections:-

192 Section 39D. (a) As used in this section and in sections 39D½ to 42A, inclusive, the
193 following words shall, unless the context clearly requires otherwise, have the following
194 meanings:-

195 “Accountability documentation”, physical documentation validating the lot numbers and
196 expiration dates of drugs or preparations with a patient drug prescription order from a
197 practitioner as defined in section 9 of chapter 94C.. The purpose of accountability documentation
198 shall be to facilitate tracing of a drug preparation or compounded sterile drug preparation back to
199 the sterile compounding pharmacy it was produced at, an individual who produced the drug, and
200 the prescription order that generated the production or compounding of the drug preparation.

201 “Compounding”, the preparation, mixing, assembling, packaging, or labeling of 1 or
202 more active ingredients with 1 or more other substances, towards a final drug preparation, by a
203 pharmacist within a permitted pharmacy only:

204 (1) formulated for use on or for the patient as a result of a practitioner’s prescription drug
205 order, based on the relationship between the practitioner, patient, and pharmacist in the course of
206 routine professional practice, to meet the unique medical need of an individual patient of the
207 practitioner;

208 (2) for the purpose of, or as an incident to, research, teaching, or chemical analysis and
209 not for sale or dispensing;

210 (3) in anticipation of prescription orders based on routine, regularly-observed prescribing
211 patterns that can be verified by accountability documentation; or

212 (4) if compounding does not include the preparation of commercially available, FDA-
213 approved drug preparations. Compounded preparations that produce, for the patient, a significant
214 difference between the compounded drug and the comparable commercially available drug
215 preparation as determined, by the prescriber, as necessary for the medical best interest of the
216 patient are not copies of commercially available preparations. Significant differences may
217 include, but are not limited to, the removal of a dye for medical reasons, changes in strength, and
218 changes in dosage form or delivery mechanism. Price differences are not a significant difference
219 to justify compounding.

220 “Compounded sterile drug preparation”, a biologic, diagnostic, drug, nutrient, or
221 radiopharmaceutical that under USP 797 or the federal Food and Drug Administration’s current
222 good manufacturing practices, must be compounded using aseptic techniques. Such preparations
223 may include, but are not limited to, implants, injectables, parenteral nutrition solutions, irrigation
224 solutions, inhalation solution, intravenous solutions and ophthalmic preparations.

225 “cGMP” Current Good Manufacturing Practice regulations enforced by the federal Food
226 and Drug Administration.

227 “Manager of record”, a person, who, being licensed as a pharmacist, signs the application
228 for a pharmacy permit and assumes full legal responsibility for the operation of the relevant
229 pharmacy in a manner complying with the laws and regulations for the practice of pharmacy and

230 the sale and dispensing of controlled substances. The manager of record shall personally
231 supervise the pharmacy and pharmacy personnel as required by section 39.

232 “Quality assurance”, a set of activities used to ensure that processes used in preparation
233 of non-sterile or sterile compounded drug preparations lead, with a high degree of assurance and
234 certainty, to finished drug preparations meeting pre-determined specifications and standards of
235 quality.

236 “Sterile compounding”, engaging in the compounding of a sterile drug preparation.

237 “Sterile compounding pharmacy”, any pharmacy or facility, where a compounded sterile
238 drug preparation is compounded or manufactured.

239 “USP ”, the current edition of the United States Pharmacopeia/National Formulary.

240 (b) Stores or pharmacies engaged in the drug business, as defined in section 37, shall
241 inform the department of public health of any improper dispensing of prescription drugs that
242 results in serious injury or death, as defined by the department in regulations, as soon as is
243 reasonably and practically possible, but not later than 7 business days after discovery of the
244 improper dispensing.

245 (c) The manager of record of a store or pharmacies shall report any serious adverse drug
246 event, as defined in section 51H of chapter 111, occurring as result of patient interaction with
247 any drug or pharmaceutical preparation manufactured, produced or compounded at their
248 pharmacy, to the board, the federal Food and Drug Administration MedWatch Program and the
249 Betsy Lehman Center for medical error reduction. This data shall be reported to the board within
250 7 business days of the knowledge of any serious adverse drug event by any pharmacy employee.

251 (d) All data concerning serious adverse drug events that has been reported to the board of
252 pharmacy, must be collected, synthesized and analyzed by the board in a traceable and easily
253 navigable database format using information technology. The board shall use the data to track
254 trends in serious adverse drug events, and warn patients, consumers and pharmacies of any
255 trends which could pose a danger to public health and safety. Data collected under this
256 subsection shall be made available on the searchable website established under section 42 ½ .

257 (e) If a sterile compounding pharmacy believes that a compounded sterile drug
258 preparation dispensed or distributed by such pharmacy is or may be defective in any way, the
259 pharmacy shall immediately recall any such preparation. Any of the same preparation remaining
260 in the possession of such pharmacy shall be located and segregated, and shall not be distributed
261 or dispensed. A defective preparation log documenting the recalled preparation shall be kept by
262 the pharmacy including information on:

263 (1) the preparation name, potency and dosage form;

264 (2) the reason for the recall;

265 (3) the amount of the preparation made;

266 (4) the date that the preparation was made;

267 (5) the amount of the preparation dispensed or distributed;

268 (6) the actual preparation potency and dosage form; and

269 (7) any and all serious adverse drug events related to the drug in question.

270 The defective preparation log shall be made available to board of pharmacy inspectors within 7
271 days of the recall, and shall be kept on record for at least 2 years. Upon submission of the
272 defective preparation log to a board of pharmacy inspector, the pharmacy shall work with the
273 board of pharmacy to develop a corrective action plan that rectifies the error which resulted in a
274 defective preparation.

275 (f) The department of public health shall promulgate regulations for the administration
276 and enforcement of this section

277 Section 39D 1/2. (a) The board of registration in pharmacy shall establish a category of
278 pharmacy licensure for pharmacies engaged in the practice of compounding sterile drug
279 preparations. A pharmacy shall not engage in sterile compounding, nor shall a pharmacy
280 prescribe, ship, mail, sell, transfer or dispense sterile compounded drug preparations in the
281 commonwealth unless the pharmacy has obtained a sterile compounded drug preparations
282 specialty license from the board of registration in pharmacy under this section.

283 (b) The sterile compound drug preparations specialty license issued by the board shall be
284 obtained in addition to and shall not replace any other permit or license a sterile compounding
285 pharmacy holds. This license is non-transferable and shall be renewed annually. The fee for such
286 renewal shall be determined annually by the secretary of administration and finance under
287 section 3B of chapter 7.

288 (c) A pharmacy licensed by the commonwealth intending to compound sterile drug
289 preparations as well as dispense sterile compounded drug preparations in or out of state, shall
290 adhere to the most current standards established by USP, all chapters, when engaging in any
291 form of sterile compounding, and shall obtain and hold a sterile compounded drug preparations

292 specialty license. Such pharmacies shall also adhere to the additional regulations promulgated by
293 the board of pharmacy under subsection (h) of section 39F, in consultation with an advisory
294 committee of industry experts as established by section 42¾ of chapter 112.

295 (d) A pharmacy licensed by the commonwealth that intends to compound and distribute
296 sterile compounded drug preparations to pharmacies, wholesalers or prescribers in or out of the
297 state in anticipation of a prescription, in volumes inconsistent with routinely observed volume
298 patterns associated with patient-specific prescriptions, or in the absence of accountability
299 documentation, shall adhere to the most current standards established under cGMP when
300 engaging in any form of sterile compounding. Such pharmacies shall obtain and hold a
301 manufacturer's license appropriate to this practice, from the federal Food and Drug
302 Administration, before engaging in any sterile compounding. The manufacturer,s license is non-
303 transferable and shall be renewed annually, at a fee which shall be determined annually by the
304 secretary of administration and finance under section 3B of chapter 7.

305 Section 39F (a) A specialty license to compound or sell compounded sterile drug
306 preparations in the commonwealth shall not be renewed until each location where a licensee
307 produces the sterile compounding preparations has been inspected by the board and found to be
308 in compliance with this chapter and regulations adopted by the board.

309 (b) The board shall conduct unannounced random and risk-based inspections of all sterile
310 compounding pharmacies licensed under this chapter to compound sterile drug preparations, as
311 well as the compounded sterile drug preparations produced by these pharmacies.

312 (c) The board shall establish a list of procedural criteria on which a sterile compounding
313 pharmacy will be evaluated at the time of inspection. The procedural criteria shall contain a pre-

314 determined list of standards and safeguards upon which a sterile compounding pharmacy shall be
315 inspected, as well as a pre-determined yet alternating list of variable criteria upon which the
316 pharmacy may be inspected without prior notice as to which subset of these variable criteria will
317 be included in the inspection.

318 (d) The board shall, in consultation with an advisory committee of industry experts as
319 established by section 42³/₄, develop a quality assurance procedure for sterile compounding
320 pharmacies to adhere to including, but not limited to procedures to enhance physical inspection,
321 compounding accuracy checks and sterility testing.

322 (e) All sterile compounding pharmacies shall certify that they have undergone a lean
323 manufacturing assessment, before they are eligible to receive a sterile compounding drug
324 preparations license.

325 (f) All sterile compounding pharmacies shall report to the board, on an annual basis, a list
326 of prescriptions dispensed within and out of the state, as well as the volume of prescriptions
327 dispensed within and out of the state. A sterile compounding pharmacy that ships compounded
328 drug preparations out of the state, shall in addition to the requirements in this section, report to
329 the board the names of the states to which such pharmacy has shipped sterile compounded drug
330 preparations.

331 (g) Sterile compounding pharmacies shall designate a manager of record who shall be
332 responsible for the pharmacy's compliance with this chapter and shall disclose to the board the
333 following:

334 (1)The location, name and titles of all principal managers and the name and
335 Massachusetts license number of the designated manager of record. A report containing this

336 information shall be made on an annual basis and within 1 month after any change of office,
337 corporate office or manager of record.

338 (2) The pharmacy shall certify its compliance with reasonable informational requests
339 made by the board.

340 (3) That the manager of record has fulfilled continuing education requirements for sterile
341 compounding, and have ensured that all pharmacy staff engaging in compounding have received
342 the appropriate training and education required by law and regulations.

343 (h) The board shall establish supplementary regulations, beyond those established by the
344 current form of USP 797, for all pharmacies intending to compound or dispense sterile drug
345 preparations in the commonwealth. The board shall establish such regulations in consultation
346 with an advisory committee of industry experts as established by section 42³/₄ of chapter 112.
347 The regulations shall include, but will not be limited to: (1) enhancing environmental monitoring
348 procedures, (2) enhancing media fill testing procedures, (3) enhancing non-sterile active
349 pharmaceutical ingredient controls, (4) enhancing procedures testing endotoxin and bioburden
350 levels of compounded drug preparations, (5) enhancing procedures surrounding process
351 validation and reproducibility of compounded drug preparations, (6) enhancing procedures
352 related to end stage testing of compounded drug preparations, (7) enhancing procedures relating
353 to the storage and beyond-use-dating of compounded drug preparations, (8) enhancing the
354 physical inspection process for finished sterile compounded drug preparations, (9) developing
355 effective formulation records for sterile compounding pharmacies, (10) developing effective
356 compounding records for compounded drug preparations produced at sterile compounding

357 pharmacies and (11) developing effective procedures to maintain preparations quality and
358 control after the compounded sterile drug preparation leaves the pharmacy.

359 Section 39G. (a) The board shall establish a procedure to license non-resident or out of
360 state pharmacies located outside of the commonwealth that prescribe, ship, mail, sell or dispense
361 medications in the commonwealth, that pertain to the practice of pharmacy. In establishing a
362 procedure to license non-resident or out of state pharmacies, the board shall require that the
363 licensing procedure of the state in which any non-resident or out of state pharmacy is located is
364 equivalent to the licensing procedures applicable to Massachusetts pharmacies under this
365 chapter.

366 (b) The non-resident or out of state pharmacies shall designate a pharmacist in charge
367 who is licensed as a pharmacist in Massachusetts and is responsible for the pharmacy's
368 compliance with this chapter and shall disclose to the board all of the following:

369 (1) The location, name and titles of all principal managers and the name and
370 Massachusetts license number of the designated pharmacist in charge, if applicable. A report
371 containing this information shall be made on an annual basis and within one month after any
372 change of office, corporate office, or manager of record.

373 (2) That it maintains, at all times, a current unrestricted license, permit or registration to
374 conduct the pharmacy in compliance with the laws and regulations of the jurisdiction in which it
375 is licensed to practice. The pharmacy shall certify its compliance with reasonable informational
376 requests made by the board.

377 (3) That it maintains its records of all drugs dispensed to patients in the commonwealth,
378 and that these records are readily available, upon request of the board. A list of drugs dispensed
379 in the commonwealth shall be sent to the board annually.

380 (c) No pharmacy or pharmacist operating outside of the state shall be authorized to
381 prescribe, ship, mail, sell, transfer or dispense drug preparations in to the commonwealth unless
382 the drug preparations are produced in a pharmacy that has been granted a non-resident or out of
383 state license under this section.

384 (d) No pharmacy or pharmacist operating outside of the state shall be authorized to
385 prescribe, ship, mail, sell, transfer or dispense sterile compounded drug preparations in the
386 commonwealth unless the sterile compounded drug preparations are produced in a pharmacy that
387 has been granted a non-resident or out of state sterile compounded drug preparations license
388 under this section.

389 SECTION 18. Sections 41 and 42 of chapter 112 of the General Laws are hereby
390 repealed.

391 SECTION 19. Chapter 112 of the General Laws, as appearing in the 2012 Official
392 Edition, is hereby amended by inserting after Section 42 the following 3 sections:-

393 Section 42 ½. (a) For the purpose of his section, the following words shall have the
394 following meanings:

395 “Enforcement action records”, any documents issued by the department of public health
396 to a pharmacy or pharmacist relating to an infraction or violation of a state or federal statute or
397 regulation by the pharmacy or pharmacist. These records shall include, but not be limited to,

398 consent decrees or judgments entered into between the department and a licensed pharmacy or
399 pharmacist as a result of a charge or complaint filed by the department against a pharmacy or
400 pharmacist for a statutory or regulatory violation or infraction or any other type of voluntary
401 resolution of a charge or complaint filed by the department.

402 “Searchable website”, a website that allows the public at no charge to search for and
403 obtain enforcement action records and serious adverse drug events records, as defined in section
404 51H of chapter 111, pertaining to pharmacies licensed by the commonwealth.

405 (b) The commissioner shall develop and operate a searchable website accessible by the
406 public at no charge that includes:

407 (1) copies of all enforcement action records of any pharmacy or pharmacist licensed by
408 the department whether they are located within or without the commonwealth;

409 (2) copies of any records of serious adverse drug events, as defined in section 51H of
410 chapter 111, and data relative to such events collected and reported under section 39D, suffered
411 by a patient or user of medications as a result of their use of medication prepared, made or
412 constituted by a pharmacy or pharmacist licensed by the department whether within or without
413 the commonwealth; and

414 (3) any other relevant information specified by the commissioner.

415 (c) The searchable website shall allow users to search electronically by field in a single
416 search, parse, query or aggregate the data, and download information yielded by a search. The
417 website shall permit users to search by a particular pharmacy or pharmacists or by a specific
418 medication.

419 (d) The searchable website shall include and retain information for not less than 10 years.

420 (e) The commissioner of public health shall update the searchable website as new data
421 becomes available. All agencies or boards of the department shall provide to the commissioner
422 all data that is required to be included in the searchable website no later than 30 days after the
423 data becomes available to the department. The commissioner shall provide guidance to agency
424 or board heads to ensure compliance with this section.

425 (f) This section shall not be construed to require the disclosure of information of patients
426 or users of medication that is confidential under state or federal law.

427 (g) The commissioner shall not be considered in compliance with this section if the data
428 required for the searchable website is not available in a searchable and aggregate manner or if the
429 public is redirected to other government websites, unless each of those websites complies with
430 the requirement of this section.

431 Section 42³/₄. There is hereby established an advisory committee to the board consisting
432 of the following members to be appointed by the commissioner of the department of public
433 health: an expert in United States Pharmacopeia chapter 795, an expert in United States
434 Pharmacopeia 797, an expert in United States Pharmacopeia 71, an expert in federal current good
435 manufacturing practices for aseptic processing, an expert in pharmacoeconomics, an expert in
436 clinical pharmacology and a microbiologist. The advisory committee shall consist of additional
437 members, as determined by the board of registration in pharmacy, if so deemed necessary to
438 fulfill the duties that this committee is charged with. The advisory committee shall advise the
439 board of pharmacy regarding proposed regulations on quality assurance and the inspection and
440 testing of compounded drug preparations. The advisory committee shall also advise the board of

441 pharmacy regarding proposed regulations to supplement the current form of United States
442 Pharmacopeia 797. The advisory committee shall also evaluate current trends in pharmacy in the
443 commonwealth, as well as recommended improvements to pharmacy practice in the
444 commonwealth. The advisory committee shall evaluate the volume and revenue of drug
445 preparations generated by each licensed sterile compounding pharmacy in the commonwealth.
446 Members of the advisory committee shall serve without compensation, and shall be free of any
447 liability incurred by their proposed recommendation to the board of pharmacy. The department
448 of public health shall provide the advisory committee with support services..

449 The advisory committee shall investigate the causes of drug shortages and their relation
450 to the market for compounded drugs in the commonwealth of Massachusetts. The advisory
451 committee shall determine an approach to address potential drug shortages when sufficient
452 clinical need or a threat to public health and safety exist.

453 The advisory committee shall study the feasibility of a state-administered central fill
454 pharmacy for the purposes of compounding and distributing compounded drug preparations for
455 hospitals in the commonwealth.

456 Section 42 7/8. (a) The board may assess a licensed pharmacy a penalty of not more than
457 \$25,000 for each violation of regulations or administrative rules established under any general
458 law that governs the practice of pharmacy.

459 (b) The board may assess a pharmacy licensed under this chapter and ordered to correct a
460 violation of regulations or administrative rules established under any general law that governs
461 the practice of pharmacy, a penalty of not more than \$1,000 for each violation for each day the
462 violation continues to exist beyond the date prescribed for correction.

463 (c) Upon making an assessment, the board shall give the licensee notice of the matters
464 alleged and the provisions of law relied upon and shall accord such person an opportunity for a
465 hearing upon written request within 15 business days of the assessment. If after a hearing, or
466 waiver thereof, the board determines that cause exists, the board shall make an appropriate
467 assessment. The affected licensee shall pay such assessment except to the extent that, upon
468 judicial review, the reviewing court may reverse the final decision of the board.

469 (d) An assessment made under this section shall be due on the thirtieth day after
470 notification to the affected licensee, or on the fifteenth day after resolution of an administrative
471 appeal, and deposited into the quality in health professions trust fund as established by section
472 35X of chapter 10. The attorney general shall recover any assessment due and payable brought in
473 the name of the commonwealth in the superior court. Funds collected under subsection (b) shall
474 be paid as described in subsection (c). Monetary penalties collected under this section and
475 deposited in the quality in health professions trust fund administered by the department of public
476 health and shall be used to support initiatives such as patient safety and quality improvement
477 programs for organizations under the jurisdiction of the division of health professions licensure,
478 training for board and division staff, and to offset the costs of board business, including
479 investigation, enforcement activities and investments in health information technology. The
480 board shall promulgate regulations for the administration of this fund, in consultation with the
481 division, including the establishment of eligibility criteria, program requirements, and
482 assessment and reporting processes.

483 SECTION 20. Section 42A of chapter 112, as so appearing, is hereby amended by
484 inserting after the first paragraph the following paragraph:-

485 The board shall participate in any national data reporting system which provides
486 information on individual pharmacies, pharmacists and pharmacy technicians including, but not
487 limited to, relevant databases maintained by the National Association of the Boards of Pharmacy
488 and the United States Food and Drug Administration

489 SECTION 21. Said section 42A of said chapter 112, as so appearing, is hereby further
490 amended by adding the following 2 paragraphs:

491 The board or board president may, without holding a hearing, suspend, or refuse to renew
492 a pharmacy license if the board or board president finds reasonable cause to believe that the
493 health, safety, or welfare of the public warrants such summary action; provided, however, that
494 the board shall, within 7 days of such action, afford the holder of such license the opportunity of
495 a hearing under chapter 30A. Any suspension imposed by the board or board president shall
496 remain in effect until the conclusion of the proceedings including the judicial review thereof,
497 unless sooner dissolved by a court of competent jurisdiction or withdrawn by the board.

498 If, based upon evidence, the board or board president determines that a registrant or
499 licensee or the preparations prepared by a registrant or licensee are an immediate threat to the
500 public health, safety, or welfare, the board or board president may: (1) issue a cease and desist
501 notice or quarantine notice requiring the cessation or restriction of any and all pharmacy
502 operations, and prohibiting the use of medications prepared by or in possession of a pharmacy; or
503 (2) issue a cease and desist notice or quarantine notice placing non-disciplinary restrictions on a
504 board registrant or licensee, to the extent necessary to avert a continued threat, pending final
505 investigation results. The board shall promulgate regulations pertaining to the issuance of cease
506 and desist and quarantine notices.

507 SECTION 22. Section 187 of Chapter 149 of the General Laws, as appearing in the 2012
508 Official Edition, is hereby amended by adding the word “pharmacy” after “community health
509 agency” in the definition of “health care facility”.

510 SECTION 23. The board of registration in pharmacy, shall, in consultation with the
511 department of public health and an advisory committee of industry experts as established by
512 section 42³/₄ of chapter 112, promulgate regulations no later than 180 days after passage of this
513 law pertaining to the inspections and testing of sterile compounding pharmacies, as well as the
514 inspection and testing of compounded sterile drug preparations produced by relevant pharmacies,
515 as required by section 39F of chapter 112 of the General Laws.

516 SECTION 24. Notwithstanding any general or special law to the contrary, the initial
517 report, as required by section 25A of chapter 112 of the General Laws shall detail the
518 investigatory and disciplinary actions conducted by the board of registration in pharmacy from
519 September 1, 2012 through December 1, 2013.

520 SECTION 25. Notwithstanding any general or special law to the contrary, the board of pharmacy
521 shall establish in regulation no later than 180 days after passage of this law the requirements for
522 specialty licensure, pursuant to section 39D ¹/₂ of chapter 112 of the General Laws, of pharmacies
523 engaged in the practice of compounding sterile drug preparations consistent with pertinent
524 United States Pharmacopeia Standards and General Chapters.