Second Regular Session Seventy-third General Assembly STATE OF COLORADO

REVISED

This Version Includes All Amendments Adopted on Second Reading in the Second House

LLS NO. 22-0947.01 Brita Darling x2241

SENATE BILL 22-173

SENATE SPONSORSHIP

Rodriguez and Smallwood, Buckner, Coram, Ginal, Gonzales, Pettersen, Priola, Rankin, Simpson, Winter, Woodward

HOUSE SPONSORSHIP

Bird and McKean,

Senate Committees

Business, Labor, & Technology Finance Appropriations

House Committees

Public & Behavioral Health & Human Services Finance Appropriations

A BILL FOR AN ACT

101 CONCERNING CRITERIA RELATING TO THE OPERATION OF TELEPHARMACY OUTLETS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

Currently, a "telepharmacy outlet" must be located more than 20 miles from the nearest prescription drug outlet or other telepharmacy outlet. The bill removes this geographic restriction on the operation of telepharmacy outlets.

The bill authorizes the state board of pharmacy (board) to adopt limited rules concerning telepharmacy outlets.

HOUSE Amended 2nd Reading

SENATE 3rd Reading Unamended April 27, 2022

SENATE Amended 2nd Reading April 26, 2022

Shading denotes HOUSE amendment. <u>Double underlining denotes SENATE amendment.</u>

Capital letters or bold & italic numbers indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

| 1 | Be it enacted by the General Assembly of the State of Colorado: |
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| 2 | SECTION 1. In Colorado Revised Statutes, 12-280-103, amend |
| 3 | (32)(a)(II), (32)(b)(II), (36), (43), and (50); and repeal (32)(c) as follows: |
| 4 | 12-280-103. Definitions - rules. As used in this article 280, unless |
| 5 | the context otherwise requires or the term is otherwise defined in another |
| 6 | part of this article 280: |
| 7 | (32) "Other outlet" means: |
| 8 | (a) A hospital that does not operate a registered pharmacy, a rural |
| 9 | health clinic, a federally qualified health center, as defined in the federal |
| 10 | "Social Security Act", 42 U.S.C. sec. 1395x (aa)(4), a family planning |
| 11 | clinic, an acute treatment unit licensed by the department of public health |
| 12 | and environment, a school, a jail, a county or district public health |
| 13 | agency, a community health clinic, a community mental health clinic, a |
| 14 | behavioral health entity, an approved treatment facility, a university, or |
| 15 | a college that: |
| 16 | (II) Engages in the compounding, dispensing, and delivery of |
| 17 | drugs or devices; OR |
| 18 | (b) An ambulatory surgical center, a hospice, or a convalescent |
| 19 | center, each of which is licensed pursuant to part 1 of article 3 of title 25, |
| 20 | or a medical clinic operated by a hospital, each of which: |
| 21 | (II) Engages in the compounding, dispensing, and delivery of |
| 22 | drugs or devices for administration to patients while being treated in the |
| 23 | facility. or |
| 24 | (c) A telepharmacy outlet. |
| 25 | (36) "Pharmacist manager" means an individual, licensed in this |
| 26 | state as a pharmacist, who has direct control of the pharmaceutical affairs |

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| 1 | of a prescription drug outlet and who, EXCEPT AS PROVIDED IN SECTION |
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| 2 | 12-280-118 (1)(a), is not the manager of any other prescription drug |
| 3 | outlet. |
| 4 | (43) "Prescription drug outlet" or "pharmacy" means any |
| 5 | pharmacy outlet registered pursuant to this article 280 where prescriptions |
| 6 | are compounded and dispensed. "Prescription drug outlet" includes, |
| 7 | without limitation, a specialized prescription drug outlet registered |
| 8 | pursuant to section 12-280-119 (11) AND A TELEPHARMACY OUTLET. |
| 9 | (50) (a) "Telepharmacy outlet" means a remote pharmacy site that: |
| 10 | (I) Is registered as an other A PRESCRIPTION DRUG outlet OR |
| 11 | PHARMACY under this article 280; |
| 12 | (II) At the time of registration, is located more than twenty miles |
| 13 | from the nearest prescription drug outlet and from any other telepharmacy |
| 14 | outlet registered under this article 280 IN AN AREA OF NEED; |
| 15 | (III) Is connected via computer link, video link, and audio link, or |
| 16 | via other functionally equivalent telecommunication equipment, with a |
| 17 | central pharmacy LOCATED IN THIS STATE that is registered under this |
| 18 | article 280; and |
| 19 | (IV) Has a pharmacy technician on site who, under the remote |
| 20 | supervision of a licensed pharmacist located at the central pharmacy IN |
| 21 | THIS STATE, performs the tasks described in subsection (38.5)(a) of this |
| 22 | section. |
| 23 | (b) The board may adopt rules as necessary to specify additional |
| 24 | criteria for a telepharmacy outlet that the board deems necessary. |
| 25 | (c) As used in this subsection (50): |
| 26 | (I) "AREA OF NEED" MEANS: |
| 27 | (A) ANY HEALTH FACILITY LICENSED OR CERTIFIED BY THE |

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| 1 | DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT PURSUANT TO |
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| 2 | <u>SECTION 25-1.5-103 (1); OR</u> |
| 3 | (B) ANY AREA WHERE A DEMONSTRATION OF NEED IS APPROVED |
| 4 | BY THE BOARD. |
| 5 | (II) "CENTRAL PHARMACY" MEANS A REGISTERED PHARMACY |
| 6 | OUTLET RESPONSIBLE FOR OVERSEEING THE OPERATION OF A |
| 7 | TELEPHARMACY OUTLET. |
| 8 | |
| 9 | _ |
| 10 | SECTION 2. In Colorado Revised Statutes, 12-280-107, add (3) |
| 11 | as follows: |
| 12 | 12-280-107. Rules. (3) THE BOARD MAY ADOPT RULES TO SPECIFY |
| 13 | ADDITIONAL CRITERIA NECESSARY TO FACILITATE THE OPERATION OF |
| 14 | TELEPHARMACY OUTLETS. THE BOARD'S ADDITIONAL RULES FOR A |
| 15 | TELEPHARMACY OUTLET ARE LIMITED TO RULES CONCERNING THE |
| 16 | FOLLOWING: |
| 17 | (a) APPLICATION REQUIREMENTS; |
| 18 | (b) STRUCTURAL AND EQUIPMENT REQUIREMENTS; |
| 19 | (c) STAFFING AND TRAINING REQUIREMENTS; |
| 20 | (d) PHARMACIST MANAGER VISITATION REQUIREMENTS; |
| 21 | (e) INVENTORY RECORD-KEEPING AND STORAGE REQUIREMENTS; |
| 22 | (f) Establishing policies and procedures relating to |
| 23 | TELEPHARMACY OPERATIONS; AND |
| 24 | (g) The number of telepharmacy outlets that may be |
| 25 | OPERATED BY A CENTRAL PHARMACY. |
| 26 | SECTION 3. In Colorado Revised Statutes, 12-280-118, amend |
| 2.7 | (1)(a) and add (3)(c) as follows: |

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| 1 | 12-280-118. Prescription drug outlet under charge of |
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| 2 | pharmacist - rules. (1) (a) A prescription drug outlet must be under the |
| 3 | direct charge of a pharmacist manager. A proprietor who is not a |
| 4 | pharmacist shall comply with this requirement and shall provide a |
| 5 | manager who is a pharmacist. NOTHING IN THIS ARTICLE 280 OR RULES |
| 6 | IMPLEMENTING THIS ARTICLE 280 SHALL PROHIBIT THE PHARMACIST |
| 7 | MANAGER OF A CENTRAL PHARMACY FROM SIMULTANEOUSLY SERVING AS |
| 8 | THE PHARMACIST MANAGER OF A TELEPHARMACY OUTLET. |
| 9 | (3) (c) A TELEPHARMACY OUTLET IS REQUIRED TO HAVE A |
| 10 | PHARMACIST MANAGER. A TELEPHARMACY OUTLET IS CONSIDERED TO BE |
| 11 | UNDER THE DIRECT CHARGE OR CONTROL OF THE PHARMACIST MANAGER, |
| 12 | OR THE LICENSED PHARMACIST DELEGATE, WHO PROVIDES REMOTE |
| 13 | SUPERVISION TO THE TELEPHARMACY OUTLET. |
| 14 | SECTION 4. In Colorado Revised Statutes, 12-280-402, amend |
| 15 | (3) as follows: |
| 16 | 12-280-402. Definitions. As used in this part 4, unless the context |
| 17 | otherwise requires: |
| 18 | (3) "Prescription drug outlet" or "pharmacy" means: |
| 19 | (a) Any resident or nonresident pharmacy outlet registered or |
| 20 | licensed pursuant to this article 280 where prescriptions are compounded |
| 21 | and dispensed; and |
| 22 | (b) Any federally owned and operated pharmacy registered with |
| 23 | the federal drug enforcement administration; AND |
| 24 | (c) A TELEPHARMACY OUTLET. |
| 25 | |
| 26 | SECTION 5. Act subject to petition - effective date. This act |
| 27 | takes effect at 12:01 a.m. on the day following the expiration of the |

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- 1 ninety-day period after final adjournment of the general assembly; except
- 2 that, if a referendum petition is filed pursuant to section 1 (3) of article V
- 3 of the state constitution against this act or an item, section, or part of this
- 4 act within such period, then the act, item, section, or part will not take
- 5 effect unless approved by the people at the general election to be held in
- 6 November 2022 and, in such case, will take effect on the date of the
- 7 official declaration of the vote thereon by the governor.

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