

# HOUSE BILL 283

J2

2lr1556  
CF SB 274

---

By: **Chair, Health and Government Operations Committee**

Introduced and read first time: January 27, 2012

Assigned to: Health and Government Operations

---

## A BILL ENTITLED

1 AN ACT concerning

2 **State Board of Pharmacy – Sunset Extension and Revisions**

3 FOR the purpose of continuing the State Board of Pharmacy in accordance with the  
4 provisions of the Maryland Program Evaluation Act (sunset law) by extending  
5 to a certain date the termination provisions relating to the statutory and  
6 regulatory authority of the Board; altering the dates on which a pharmacy  
7 permit and a wholesale distributor permit expires; altering the date by which  
8 the Board must send certain renewal information to certain permit holders;  
9 repealing certain provisions requiring certain physician–pharmacist  
10 agreements to be approved by the State Board of Physicians and the State  
11 Board of Pharmacy; repealing certain provisions that prohibit the State Board  
12 of Physicians and the State Board of Pharmacy from approving certain  
13 physician–pharmacist agreements under certain circumstances; repealing  
14 certain provisions relating to the time period during which a  
15 physician–pharmacist agreement is valid; requiring a certain physician and a  
16 certain pharmacist to submit a copy of a certain agreement to a certain board;  
17 requiring a therapy management contract to apply only to conditions for which  
18 protocols have been agreed to by certain parties; repealing a certain provision  
19 requiring the establishment of certain fees in regulations; repealing a  
20 requirement that certain regulations include provisions that establish a certain  
21 procedure; prohibiting certain regulations from requiring certain boards to  
22 approve certain physician–pharmacist agreements or the protocols specified in  
23 the agreements; requiring that an evaluation of the State Board of Pharmacy  
24 and the statutes and regulations that relate to the Board be performed on or  
25 before a certain date; providing for an extension of the renewal dates of certain  
26 permits; requiring the State Board of Pharmacy to submit certain reports to  
27 certain committees of the General Assembly on or before certain dates; altering  
28 a certain definition; making a conforming change; and generally relating to the  
29 State Board of Pharmacy.

30 BY repealing and reenacting, with amendments,

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – Health Occupations  
2 Section 12–407(a) and (b)(1), 12–6A–01(f), 12–6A–03, 12–6A–07, 12–6A–10,  
3 12–6C–06(a), and 12–802  
4 Annotated Code of Maryland  
5 (2009 Replacement Volume and 2011 Supplement)

6 BY repealing and reenacting, without amendments,  
7 Article – Health Occupations  
8 Section 12–6A–01(a)  
9 Annotated Code of Maryland  
10 (2009 Replacement Volume and 2011 Supplement)

11 BY repealing and reenacting, without amendments,  
12 Article – State Government  
13 Section 8–403(a)  
14 Annotated Code of Maryland  
15 (2009 Replacement Volume and 2011 Supplement)

16 BY repealing and reenacting, with amendments,  
17 Article – State Government  
18 Section 8–403(b)(45)  
19 Annotated Code of Maryland  
20 (2009 Replacement Volume and 2011 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article – Health Occupations**

24 12–407.

25 (a) A pharmacy permit expires on the ~~[December 31]~~ **MAY 31** after its  
26 effective date, unless the pharmacy permit is renewed for a 2–year term as provided in  
27 this section.

28 (b) (1) Except as provided in paragraph (2) of this subsection, on or before  
29 ~~[October 1]~~ **MARCH 1** of the year the permit expires, the Board shall send to each  
30 pharmacy permit holder a renewal notice for each pharmacy permit by first–class mail  
31 to the last known address of the pharmacy permit holder.

32 12–6A–01.

33 (a) In this subtitle the following words have the meanings indicated.

34 (f) “Physician–pharmacist agreement” means an ~~[approved]~~ agreement  
35 between a licensed physician and a licensed pharmacist that is disease–state specific  
36 and specifies the protocols that may be used.

1 12-6A-03.

2 (a) A licensed physician and a licensed pharmacist who wish to enter into  
3 therapy management contracts shall have a physician-pharmacist agreement [that is  
4 approved by the Board of Pharmacy and the Board of Physicians].

5 [(b) The Board of Physicians and the Board of Pharmacy may not approve a  
6 physician-pharmacist agreement if the Boards find there is:

7 (1) Inadequate training, experience, or education of the physicians or  
8 pharmacists to implement the protocol or protocols specified in the agreement; or

9 (2) A failure to satisfy requirements of:

10 (i) This title or Title 14 of this article; or

11 (ii) Regulations established by the Board of Physicians and the  
12 Board of Pharmacy adopted under this subtitle.

13 (c) A physician-pharmacist agreement shall be valid for 2 years from the  
14 date of its final approval by the Board of Physicians and the Board of Pharmacy unless  
15 renewed in accordance with established regulations adopted under this subtitle.]

16 **(B) (1) A LICENSED PHYSICIAN WHO HAS ENTERED INTO A**  
17 **PHYSICIAN-PHARMACIST AGREEMENT SHALL SUBMIT TO THE BOARD OF**  
18 **PHYSICIANS A COPY OF THE PHYSICIAN-PHARMACIST AGREEMENT AND ANY**  
19 **SUBSEQUENT MODIFICATIONS MADE TO THE PHYSICIAN-PHARMACIST**  
20 **AGREEMENT OR THE PROTOCOLS SPECIFIED IN THE PHYSICIAN-PHARMACIST**  
21 **AGREEMENT.**

22 **(2) A LICENSED PHARMACIST WHO HAS ENTERED INTO A**  
23 **PHYSICIAN-PHARMACIST AGREEMENT SHALL SUBMIT TO THE BOARD OF**  
24 **PHARMACY A COPY OF THE PHYSICIAN-PHARMACIST AGREEMENT AND ANY**  
25 **SUBSEQUENT MODIFICATIONS MADE TO THE PHYSICIAN-PHARMACIST**  
26 **AGREEMENT OR THE PROTOCOLS SPECIFIED IN THE PHYSICIAN-PHARMACIST**  
27 **AGREEMENT.**

28 12-6A-07.

29 (a) A therapy management contract shall apply only to conditions for which  
30 protocols have been [approved by the Board of Physicians and the Board of Pharmacy  
31 under] **AGREED TO BY A LICENSED PHYSICIAN AND A LICENSED PHARMACIST IN**  
32 **ACCORDANCE WITH** the regulations adopted under this subtitle.

1 (b) A therapy management contract shall terminate 1 year from the date of  
2 its signing, unless renewed by the licensed physician, licensed pharmacist, and  
3 patient.

4 (c) A therapy management contract shall include:

5 (1) A statement that none of the parties involved in the therapy  
6 management contract have been coerced, given economic incentives, excluding normal  
7 reimbursement for services rendered, or involuntarily required to participate;

8 (2) Notice to the patient indicating how the patient may terminate the  
9 therapy management contract;

10 (3) A procedure for periodic review by the physician, of the drugs  
11 modified pursuant to the agreement or changed with the consent of the physician; and

12 (4) Reference to **[an approved]** A protocol, which will be provided to  
13 the patient upon request.

14 (d) Any party to the therapy management contract may terminate the  
15 contract at any time.

16 **[(e) Fees paid to the Board of Physicians and Board of Pharmacy related to**  
17 **therapy management shall be established in regulations.]**

18 12-6A-10.

19 (a) Subject to subsection (b) of this section, the Board of Pharmacy, together  
20 with the Board of Physicians, shall jointly develop and adopt regulations to implement  
21 the provisions of this subtitle.

22 (b) The regulations adopted under subsection (a) of this section:

23 **(1) [shall] SHALL** include provisions that:

24 **[(1)] (I)** Define the criteria for physician-pharmacist agreements;

25 **AND**

26 **[(2)] (II)** Establish guidelines concerning the use of protocols,  
27 including communication, documentation, and other relevant factors; and

28 **[(3)]** Establish a procedure to allow for the approval, modification,  
29 continuation, or disapproval of specific protocols by the Board of Physicians and the  
30 Board of Pharmacy.]



1 SECTION 4. AND BE IT FURTHER ENACTED, That, on or before October 1,  
2 2013, the State Board of Pharmacy (Board) shall submit a report to the Senate  
3 Education, Health, and Environmental Affairs Committee and the House Health and  
4 Government Operations Committee, in accordance with § 2–1246 of the State  
5 Government Article, on the implementation of nonstatutory recommendations  
6 contained in the October 2011 sunset evaluation report on the Board, published by the  
7 Department of Legislative Services, including:

8 (1) the impact of modifications made to the drug therapy management  
9 program, including the number of physician–pharmacist agreements and the number  
10 of drug therapy management protocols on file with the Board and the State Board of  
11 Physicians;

12 (2) the Board’s progress in further reducing the length of the  
13 pharmacy technician registration process following implementation of the Board’s new  
14 Information Technology (IT) system, including information, for each full month  
15 following implementation of the IT system, on the average wait time from the date of  
16 application to the date of an applicant’s registration or rejection;

17 (3) the status of the Board’s contractual relationship with the  
18 Pharmacists’ Education and Advocacy Council (PEAC) and whether any statutory  
19 changes are necessary to allow other vendors to compete with PEAC;

20 (4) the implementation of the Board’s IT system, including both  
21 positive and negative outcomes, and the effect, if any, of the IT system on the Board’s  
22 staffing needs; and

23 (5) the Board’s 5–year financial outlook and an analysis of the Board’s  
24 ability to maintain a healthy fiscal outlook, including the effect of transfers from the  
25 Board’s fund balance under the Budget Reconciliation and Financing Acts of 2009,  
26 2010, and 2011, costs associated with the Board’s new database, and any additional  
27 personnel costs resulting from the recommendations of the Department of Legislative  
28 Services contained in the sunset evaluation report on the Board dated October 2011,  
29 on the Board’s ability to maintain an adequate fund balance.

30 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect  
31 July 1, 2012.