Adopted COMMITTEE AMENDMENT NO 1 PROPOSED TO

House Bill No. 542

BY: Committee

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

34 SECTION 1. Section 73-21-69, Mississippi Code of 1972, is 35 reenacted as follows: 73-21-69. Sections 73-21-71 through 73-21-123, which create 36 37 the State Board of Pharmacy and prescribe its duties and powers, shall stand repealed on July 1, 2011. 38 39 SECTION 2. Section 73-21-71, Mississippi Code of 1972, is reenacted as follows: 40 73-21-71. This chapter shall be known as the "Mississippi 41 42 Pharmacy Practice Act." SECTION 3. Section 73-21-73, Mississippi Code of 1972, is 43 44 reenacted as follows: 73-21-73. As used in this chapter, unless the context 45 requires otherwise: 46 47 (a) "Administer" shall mean the direct application of a prescription drug pursuant to a lawful order of a practitioner to 48 the body of a patient by injection, inhalation, ingestion or any 49 50 other means. 51 (b) "Board of Pharmacy," "Pharmacy Board," "MSBP" or 52 "board" shall mean the State Board of Pharmacy.

"Compounding" means (i) the production, 53 (C) 54 preparation, propagation, conversion or processing of a sterile or 55 nonsterile drug or device either directly or indirectly by 56 extraction from substances of natural origin or independently by 57 means of chemical or biological synthesis or from bulk chemicals 58 or the preparation, mixing, measuring, assembling, packaging or 59 labeling of a drug or device as a result of a practitioner's 60 prescription drug order or initiative based on the 61 practitioner/patient/pharmacist relationship in the course of professional practice, or (ii) for the purpose of, as an incident 62 63 to, research, teaching or chemical analysis and not for sale or dispensing. Compounding also includes the preparation of drugs or 64 65 devices in anticipation of prescription drug orders based on routine regularly observed prescribing patterns. 66

(d) "Continuing education unit" shall mean ten (10)
clock hours of study or other such activity as may be approved by
the board, including, but not limited to, all programs which have
been approved by the American Council on Pharmaceutical Education.

(e) "Deliver" or "delivery" shall mean the actual,
constructive or attempted transfer of a drug or device from one
person to another, whether or not for a consideration.

(f) "Device" shall mean an instrument, apparatus, implement, machine, contrivance, implant, in vitro reagent or other similar or related article, including any component part or accessory which is required under federal or state law to be prescribed by a practitioner and dispensed by a pharmacist.

(g) "Dispense" or "dispensing" shall mean the interpretation of a valid prescription, order of a practitioner by a pharmacist and the subsequent preparation of the drug or device for administration to or use by a patient or other individual entitled to receive the drug.

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84 (h) "Distribute" shall mean the delivery of a drug or
85 device other than by administering or dispensing to persons other
86 than the ultimate consumer.

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(i) "Drug" shall mean:

88 (i) Articles recognized as drugs in the official
89 United States Pharmacopeia, official National Formulary, official
90 Homeopathic Pharmacopeia, other drug compendium or any supplement
91 to any of them;

92 (ii) Articles intended for use in the diagnosis,
93 cure, mitigation, treatment or prevention of disease in man or
94 other animals;

95 (iii) Articles other than food intended to affect 96 the structure or any function of the body of man or other animals; 97 and

98 (iv) Articles intended for use as a component of 99 any articles specified in subparagraph (i), (ii) or (iii) of this 100 paragraph.

(j) "Drugroom" shall mean a business, which does not require the services of a pharmacist, where prescription drugs or prescription devices are bought, sold, maintained or provided to consumers.

105 (k) "Extern" shall mean a student in the professional 106 program of a school of pharmacy accredited by the American Council 107 on Pharmaceutical Education who is making normal progress toward 108 completion of a professional degree in pharmacy.

(1) "Foreign pharmacy graduate" shall mean a person whose undergraduate pharmacy degree was conferred by a recognized school of pharmacy outside of the United States, the District of Columbia and Puerto Rico. Recognized schools of pharmacy are those colleges and universities listed in the World Health Organization's World Directory of Schools of Pharmacy, or otherwise approved by the Foreign Pharmacy Graduate Examination

116 Committee (FPGEC) certification program as established by the 117 National Association of Boards of Pharmacy.

118 (m) "Generic equivalent drug product" shall mean a drug 119 product which (i) contains the identical active chemical 120 ingredient of the same strength, quantity and dosage form; (ii) is 121 of the same generic drug name as determined by the United States Adoptive Names and accepted by the United States Food and Drug 122 123 Administration; and (iii) conforms to such rules and regulations 124 as may be adopted by the board for the protection of the public to 125 assure that such drug product is therapeutically equivalent.

(n) "Interested directly" shall mean being employed by,
having full or partial ownership of, or control of, any facility
permitted or licensed by the Mississippi State Board of Pharmacy.

(o) "Interested indirectly" shall mean having a spouse
who is employed by any facility permitted or licensed by the
Mississippi State Board of Pharmacy.

(p) "Intern" shall mean a person who has graduated from
a school of pharmacy but has not yet become licensed as a
pharmacist.

(q) "Manufacturer" shall mean a person, business or other entity engaged in the production, preparation, propagation, conversion or processing of a prescription drug or device, if such actions are associated with promotion and marketing of such drugs or devices.

(r) "Manufacturer's distributor" shall mean any person or business who is not an employee of a manufacturer, but who distributes sample drugs or devices, as defined under subsection (i) of this section, under contract or business arrangement for a manufacturer to practitioners.

(s) "Manufacturing" of prescription products shall mean the production, preparation, propagation, conversion or processing of a drug or device, either directly or indirectly, by extraction

148 from substances from natural origin or independently by means of 149 chemical or biological synthesis, or from bulk chemicals and 150 includes any packaging or repackaging of the substance(s) or 151 labeling or relabeling of its container, if such actions are 152 associated with promotion and marketing of such drug or devices.

(t) "Misappropriation of a prescription drug" shall mean to illegally or unlawfully convert a drug, as defined in subsection (i) of this section, to one's own use or to the use of another.

(u) "Nonprescription drugs" shall mean nonnarcotic medicines or drugs that may be sold without a prescription and are prepackaged and labeled for use by the consumer in accordance with the requirements of the statutes and regulations of this state and the federal government.

162 (v) "Person" shall mean an individual, corporation,163 partnership, association or any other legal entity.

(w) "Pharmacist" shall mean an individual health care provider licensed by this state to engage in the practice of pharmacy. This recognizes a pharmacist as a learned professional who is authorized to provide patient services.

168 (x) "Pharmacy" shall mean any location for which a 169 pharmacy permit is required and in which prescription drugs are 170 maintained, compounded and dispensed for patients by a pharmacist. 171 This definition includes any location where pharmacy-related 172 services are provided by a pharmacist.

(y) "Prepackaging" shall mean the act of placing small precounted quantities of drug products in containers suitable for dispensing or administering in anticipation of prescriptions or orders.

177 (z) Unlawful or unauthorized "possession" shall mean
178 physical holding or control by a pharmacist of a controlled
179 substance outside the usual and lawful course of employment.

"Practice of pharmacy" shall mean a health care 180 (aa) 181 service that includes, but is not limited to, the compounding, 182 dispensing, and labeling of drugs or devices; interpreting and 183 evaluating prescriptions; administering and distributing drugs and 184 devices; the compounding, dispensing and labeling of drugs and 185 devices; maintaining prescription drug records; advising and consulting concerning therapeutic values, content, hazards and 186 187 uses of drugs and devices; initiating or modifying of drug therapy 188 in accordance with written guidelines or protocols previously 189 established and approved by the board; selecting drugs; 190 participating in drug utilization reviews; storing prescription drugs and devices; ordering lab work in accordance with written 191 192 guidelines or protocols as defined by paragraph (jj) of this 193 section; providing pharmacotherapeutic consultations; supervising 194 supportive personnel and such other acts, services, operations or 195 transactions necessary or incidental to the conduct of the 196 foregoing.

(bb) "Practitioner" shall mean a physician, dentist,
veterinarian, or other health care provider authorized by law to
diagnose and prescribe drugs.

200 (cc) "Prescription" shall mean a written, verbal or 201 electronically transmitted order issued by a practitioner for a 202 drug or device to be dispensed for a patient by a pharmacist.

203 (dd) "Prescription drug" or "legend drug" shall mean a 204 drug which is required under federal law to be labeled with either 205 of the following statements prior to being dispensed or delivered: 206 (i) "Caution: Federal law prohibits dispensing

207 without prescription, " or

(ii) "Caution: Federal law restricts this drug to use by or on the order of a licensed veterinarian"; or a drug which is required by any applicable federal or state law or

211 regulation to be dispensed on prescription only or is restricted 212 to use by practitioners only.

(ee) "Product selection" shall mean the dispensing of a generic equivalent drug product in lieu of the drug product ordered by the prescriber.

(ff) "Provider" or "primary health care provider" shall include a pharmacist who provides health care services within his or her scope of practice pursuant to state law and regulation.

(gg) "Registrant" shall mean a pharmacy or other entity which is registered with the Mississippi State Board of Pharmacy to buy, sell or maintain controlled substances.

(hh) "Repackager" means a person registered by the Federal Food and Drug Administration as a repackager who removes a prescription drug product from its marketed container and places it into another, usually of smaller size, to be distributed to persons other than the consumer.

(ii) "Supportive personnel" or "pharmacist technician"
shall mean those individuals utilized in pharmacies whose
responsibilities are to provide nonjudgmental technical services
concerned with the preparation and distribution of drugs under the
direct supervision and responsibility of a pharmacist.

(jj) "Written guideline or protocol" shall mean an
agreement in which any practitioner authorized to prescribe drugs
delegates to a pharmacist authority to conduct specific
prescribing functions in an institutional setting, or with
individual patients, provided that a specific protocol agreement
is signed on each patient and is filed as required by law or by
rule or regulation of the board.

(kk) "Wholesaler" shall mean a person who buys or otherwise acquires prescription drugs or prescription devices for resale or distribution, or for repackaging for resale or distribution, to persons other than consumers.

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243 **SECTION 4.** Section 73-21-75, Mississippi Code of 1972, is 244 reenacted as follows:

73-21-75. (1) The State Board of Pharmacy created by former 245 246 Section 73-21-9 is hereby continued and reconstituted as follows: 247 The board shall consist of seven (7) appointed members. At least 248 one (1) appointment shall be made from each congressional 249 district. Each appointed member of the board shall be appointed 250 by the Governor, with the advice and consent of the Senate, from a 251 list of five (5) names submitted by the Mississippi Pharmacists Association, with input from the Magnolia Pharmaceutical Society 252 253 and other pharmacist associations or societies. Of the members 254 appointed, one (1) shall, at the time of appointment, have had 255 five (5) years' experience as a pharmacist at a facility holding 256 an institutional permit, and one (1) shall, at the time of 257 appointment, have had five (5) years' experience as a pharmacist 258 at a facility holding a retail permit. Any person appointed to 259 the board shall be limited to two (2) full terms of office during 260 any fifteen-year period, including any member serving on May 14, 261 1992.

262 (2) The members of the board appointed and serving prior to 263 July 1, 1983, whose terms have not expired by July 1, 1983, shall 264 serve the balance of their terms as members of the reconstituted 265 board, and they shall be considered to be from the same congressional districts from which they were originally appointed 266 267 if they still reside therein, even if the district boundaries have 268 changed subsequent to their original appointments. The Governor 269 shall appoint the remaining members of the reconstituted board in 270 the manner prescribed in subsection (1) of this section on July 1, 1983. The initial members of the reconstituted board shall serve 271 272 terms of office as follows:

(a) The term of the member from the First Congressional
District shall expire on July 1, 1984; and from and after July 1,
1996, this appointment shall be designated as Post 1.

(b) The term of the member from the Second
Congressional District shall expire on July 1, 1988; and from and
after July 1, 1996, this appointment shall be designated as Post
279 2.

(c) The term of the member from the Third Congressional
District shall expire on July 1, 1986; and from and after July 1,
1996, this appointment shall be designated as Post 3.

(d) The term of the member from the Fourth
Congressional District shall expire on July 1, 1985; and from and
after July 1, 1996, this appointment shall be designated as Post
4.

(e) The term of the member from the Fifth Congressional
District shall expire on July 1, 1987; and from and after July 1,
1996, this appointment shall be designated as Post 5.

(f) The term of one (1) of the members from the state at large shall expire on July 1, 1985; and from and after July 1, 1996, this appointment shall be designated as Post 6.

(g) The term of the other member from the state at
large shall expire on July 1, 1988; and from and after July 1,
1996, this appointment shall be designated as Post 7.

The appointments of members from congressional districts as provided under this section shall be made from the congressional districts as they existed on July 1, 2001.

(3) At the expiration of a term, members of the board shall be appointed in the manner prescribed in subsection (1) of this section for terms of five (5) years from the expiration date of the previous terms. Any vacancy on the board prior to the expiration of a term for any reason, including resignation, removal, disqualification, death or disability, shall be filled by

appointment of the Governor in the manner prescribed in subsection 305 306 (1) of this section for the balance of the unexpired term. The 307 Mississippi Pharmacists Association, with input from the Magnolia 308 Pharmaceutical Society and other pharmacist associations or 309 societies, shall submit a list of nominees no more than thirty 310 (30) days after a vacancy occurs, and the Governor shall fill such vacancies within ninety (90) days after each such vacancy occurs. 311 312 (4) To be qualified to be a member of the board, a person shall: 313

314 (a) Be an adult citizen of Mississippi for a period of
315 at least five (5) years preceding his appointment to the board;
316 (b) Be a pharmacist licensed and in good standing to
317 practice pharmacy in the State of Mississippi;

318 (c) Have at least five (5) years' experience as a 319 pharmacist; and

320 (d) Be actively engaged full time in the practice of321 pharmacy in Mississippi.

322 (5) The Governor may remove any or all members of the board 323 on proof of unprofessional conduct, continued absence from the 324 state, or for failure to perform the duties of his office. Any 325 member who shall not attend two (2) consecutive meetings of the 326 board for any reason other than illness of such member shall be 327 subject to removal by the Governor. The president of the board shall notify the Governor in writing when any such member has 328 329 failed to attend two (2) consecutive regular meetings. No removal 330 shall be made without first giving the accused an opportunity to 331 be heard in refutation of the charges made against him, and he 332 shall be entitled to receive a copy of the charges at the time of 333 filing.

334 SECTION 5. Section 73-21-77, Mississippi Code of 1972, is
335 reenacted as follows:

336 73-21-77. (1) Each person appointed as a member of the 337 board shall qualify by taking the oath prescribed by the 338 Constitution for the state officers, and shall file certificate 339 thereof in the Office of the Secretary of State within fifteen 340 (15) days after his appointment.

341 (2) There shall be a president of the board and such other 342 officers as deemed necessary by the board elected by and from its 343 membership.

344 (3) The board shall meet at least once each quarter to 345 transact business, and may meet at such additional times as it may 346 deem necessary. Such additional meetings may be called by the 347 president of the board or a majority of the members of the board.

348 (4) The place for each meeting shall be determined prior to 349 giving notice of such meeting and shall not be changed after such 350 notice is given without adequate subsequent notice.

351 (5) A majority of the members of the board shall constitute 352 a quorum for the conduct of the meeting and all actions of the 353 board shall be by a majority.

(6) Each member of the board shall receive a per diem as provided in Section 25-3-69, not to exceed thirty (30) days in any one (1) period of twelve (12) months, for each day actually engaged in meetings of the board, together with necessary traveling and other expenses as provided in Section 25-3-41.

359 **SECTION 6.** Section 73-21-79, Mississippi Code of 1972, is 360 reenacted and amended as follows:

361 73-21-79. (1) The board shall employ an executive director 362 of the board. The executive director shall be a citizen of 363 Mississippi and a pharmacist licensed and in good standing to 364 practice pharmacy in the State of Mississippi, who has had five 365 (5) years' experience as a pharmacist.

366 (2) The executive director shall receive a salary to be set367 by the board, subject to the approval of the State Personnel

Board, and shall be entitled to necessary expenses incurred in the performance of his official duties. He shall devote full time to the duties of his office and shall not be * * * engaged in any other business that will interfere with the duties of his office.
(3) The duties and responsibilities of the executive

373 director shall be defined by rules and regulations prescribed by 374 the board.

375 (4) The board may, in its discretion, employ persons in 376 addition to the executive director in such other positions or capacities as it deems necessary to the proper conduct of board 377 378 business. Any pharmacist-investigator employed by the board may 379 have other part-time employment, provided that he shall not accept 380 any employment that would cause a conflict of interest in his 381 pharmacist-investigator duties. The board may employ legal counsel to assist in the conduct of its business. 382

383 SECTION 7. Section 73-21-81, Mississippi Code of 1972, is 384 reenacted as follows:

385 73-21-81. The responsibility for the enforcement of the 386 provisions of this chapter shall be vested in the board. The 387 board shall have all of the duties, powers and authority 388 specifically granted by and necessary to the enforcement of this 389 chapter. The board may make, adopt, amend and repeal such rules 390 and regulations as may be deemed necessary by the board from time to time for the proper administration and enforcement of this 391 392 chapter, in accordance with the provisions of the Mississippi 393 Administrative Procedures Law (Section 25-43-1 et seq.).

394 SECTION 8. Section 73-21-83, Mississippi Code of 1972, is 395 reenacted as follows:

396 73-21-83. (1) The board shall be responsible for the 397 control and regulation of the practice of pharmacy, to include the 398 regulation of pharmacy externs or interns and pharmacist 399 technicians, in this state, the regulation of the wholesaler

400 distribution of drugs and devices as defined in Section 73-21-73, 401 and the distribution of sample drugs or devices by manufacturer's 402 distributors as defined in Section 73-21-73 by persons other than 403 the original manufacturer or distributor in this state.

404 (2) A license for the practice of pharmacy shall be obtained 405 by all persons prior to their engaging in the practice of pharmacy. However, the provisions of this chapter shall not apply 406 407 to physicians, dentists, veterinarians, osteopaths or other 408 practitioners of the healing arts who are licensed under the laws 409 of the State of Mississippi and are authorized to dispense and 410 administer prescription drugs in the course of their professional 411 practice.

412 (3) The initial licensure fee shall be set by the board but413 shall not exceed Two Hundred Dollars (\$200.00).

414 (4) All students actively enrolled in a professional school 415 of pharmacy accredited by the American Council on Pharmaceutical 416 Education who are making satisfactory progress toward graduation 417 and who act as an extern or intern under the direct supervision of a pharmacist in a location permitted by the Board of Pharmacy must 418 419 obtain a pharmacy student registration prior to engaging in such 420 activity. The student registration fee shall be set by the board 421 but shall not exceed One Hundred Dollars (\$100.00).

422 (5) All persons licensed to practice pharmacy prior to July
423 1, 1991, by the State Board of Pharmacy under Section 73-21-89
424 shall continue to be licensed under the provisions of Section
425 73-21-91.

426 **SECTION 9.** Section 73-21-85, Mississippi Code of 1972, is 427 reenacted and amended as follows:

428 73-21-85. (1) To obtain a license to engage in the practice 429 of pharmacy by examination, or by score transfer, the applicant 430 shall:

431 (a) Have submitted a written application on the form432 prescribed by the board;

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(b) Be of good moral character;

(c) Have graduated from a school or college of pharmacy accredited by the American Council of Pharmaceutical Education and have been granted a pharmacy degree therefrom;

437 (d) Have successfully passed an examination approved by438 the board;

(e) Have paid all fees specified by the board for
examination, not to exceed the cost to the board of administering
the examination;

442 (f) Have paid all fees specified by the board for443 licensure; and

444 (g) Have submitted evidence of externship and/or445 internship as specified by the board.

446 (2) To obtain a license to engage in the practice of 447 pharmacy, a foreign pharmacy graduate applicant shall obtain the 448 National Association of Boards of Pharmacy's Foreign Pharmacy 449 Graduate Examination Committee's certification, which shall 450 include, but not be limited to, successfully passing the Foreign 451 Pharmacy Graduate Equivalency Examination and attaining a total 452 score of at least five hundred fifty (550) on the Test of English 453 as a Foreign Language (TOEFL), and shall:

454 (a) Have submitted a written application on the form455 prescribed by the board;

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(b) Be of good moral character;

457 (c) Have graduated and been granted a pharmacy degree
458 from a college or school of pharmacy recognized and approved by
459 the National Association of Boards of Pharmacy's Foreign Pharmacy
460 Graduate Examination Committee;

(d) Have paid all fees specified by the board for
examination, not to exceed the cost to the board of administering
the examination;

464 (e) Have successfully passed an examination approved by 465 the board;

466 (f) Have completed the number of internship hours as467 set forth by regulations of the board; and

468 (g) Have paid all fees specified by the board for 469 licensure.

470 (3) Each application or filing made under this section shall
471 include the social security number(s) of the applicant in
472 accordance with Section 93-11-64.

473 (4) To insure that all applicants are of good moral 474 character, the board shall conduct a criminal history records 475 check on all applicants for a license. In order to determine the 476 applicant's suitability for licensing, the applicant shall be 477 fingerprinted. The board shall submit the fingerprints to the 478 Department of Public Safety for a check of the state criminal 479 records and forwarded to the Federal Bureau of Investigation for a 480 check of the national criminal records. The Department of Public 481 Safety shall disseminate the results of the state check and the 482 national check to the board for a suitability determination. The 483 board shall be authorized to collect from the applicant the amount of the fee that the Department of Public Safety charges the board 484 485 for the fingerprinting, whether manual or electronic, and the 486 state and national criminal history records checks.

487 (5) To insure that all applicants are of good moral 488 character, the board, upon request of the Dean of the University 489 of Mississippi School of Pharmacy, shall be authorized to conduct 490 a criminal history records check on all applicants for enrollment 491 into the School of Pharmacy. In order to determine the 492 applicant's suitability for enrollment and licensing, the

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applicant shall be fingerprinted. The board shall submit the 493 494 fingerprints to the Department of Public Safety for a check of the state criminal records and forwarded to the Federal Bureau of 495 496 Investigation for a check of the national criminal records. The 497 Department of Public Safety shall disseminate the results of the state check and the national check to the board for a suitability 498 499 determination and the board shall forward the results to the Dean of the School of Pharmacy. The board shall be authorized to 500 501 collect from the applicant the amount of the fee that the Department of Public Safety charges the board for the 502 503 fingerprinting, whether manual or electronic, and the state and 504 national criminal history records checks. 505 SECTION 10. Section 73-21-87, Mississippi Code of 1972, is 506 reenacted as follows: 507 73-21-87. (1) To obtain a license to engage in the practice 508 of pharmacy by reciprocity or license transfer, the applicant 509 shall: 510 (a) Have submitted a written application on the form prescribed by the board; 511 512 (b) Be of good moral character; 513 (c) Have possessed at the time of initial licensure as 514 a pharmacist such other qualifications necessary to have been 515 eligible for licensure at that time in that state; (d) Have presented to the board proof that any license 516 517 or licenses granted to the applicant by any other states have not been suspended, revoked, cancelled or otherwise restricted for any 518 519 reason except nonrenewal or the failure to obtain required continuing education credits; and 520 521 (e) Have paid all fees specified by the board for 522 licensure. (2) No applicant shall be eligible for licensure by 523 524 reciprocity or license transfer or unless the state in which the

525 applicant was initially licensed also grants a reciprocal license 526 or transfer license to pharmacists licensed by this state under 527 like circumstances and conditions.

528 (3) Each application or filing made under this section shall
529 include the social security number(s) of the applicant in
530 accordance with Section 93-11-64, Mississippi Code of 1972.

531 **SECTION 11.** Section 73-21-89, Mississippi Code of 1972, is 532 reenacted as follows:

533 73-21-89. (1) The board shall issue a license to practice
534 pharmacy to any person, if such person be otherwise qualified,
535 upon presentation to the board of:

536 (a) Satisfactory proof that the applicant has been537 graduated from the University of Mississippi School of Pharmacy;

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(b) Written application for licensure; and

539 (c) Payment of all fees specified by the board for540 licensure.

541 (2) The board shall not issue any new licenses pursuant to 542 this section after June 30, 1987.

543 (3) Each application or filing made under this section shall
544 include the social security number(s) of the applicant in
545 accordance with Section 93-11-64, Mississippi Code of 1972.

546 **SECTION 12.** Section 73-21-91, Mississippi Code of 1972, is 547 reenacted and amended as follows:

548 73-21-91. (1) Every pharmacist shall renew his license 549 <u>annually</u>. To renew his license, a pharmacist shall:

(a) Submit an application for renewal on the formprescribed by the board;

(b) Submit satisfactory evidence of the completion in the last licensure period of such continuing education units as shall be required by the board, but in no case less than two (2) continuing education units in the last licensure period; 556 (c) Pay such renewal fees as required by the board, not to exceed One Hundred Dollars (\$100.00) for each annual licensing 557 558 period, provided that the board may add a surcharge of not more 559 than Five Dollars (\$5.00) to a license renewal fee to fund a 560 program to aid impaired pharmacists or pharmacy students. Any 561 pharmacist license renewal received postmarked after December 31 562 of the renewal period will be returned and a Fifty Dollar (\$50.00) 563 late renewal fee will be assessed prior to renewal.

564 Any pharmacist who has defaulted in license renewal may (2) be reinstated within two (2) years upon payment of renewal fees in 565 566 arrears and presentation of evidence of the required continuing 567 education. Any pharmacist defaulting in license renewal for a 568 period in excess of two (2) years shall be required to 569 successfully complete the examination given by the board pursuant 570 to Section 73-21-85 before being eligible for reinstatement as a 571 pharmacist in Mississippi, or shall be required to appear before the board to be examined for his competence and knowledge of the 572 573 practice of pharmacy, and may be required to submit evidence of continuing education. If such person is found fit by the board to 574 575 practice pharmacy in this state, the board may reinstate his 576 license to practice pharmacy upon payment of all renewal fees in 577 arrears.

578 (3) Each application or filing made under this section shall
579 include the social security number(s) of the applicant in
580 accordance with Section 93-11-64, Mississippi Code of 1972.

581 **SECTION 13.** Section 73-21-93, Mississippi Code of 1972, is 582 reenacted as follows:

583 73-21-93. (1) The examination for licensure required under 584 Section 73-21-85 shall be given by the board at least once during 585 each year. The board shall determine the content and subject 586 matter of each examination, the place, time and date of the

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587 administration of the examination and those persons who have 588 successfully passed the examination.

(2) The examination shall be prepared to measure the competence of the applicant to engage in the practice of pharmacy. The board may employ and cooperate with any organization or consultant in the preparation and grading of an appropriate examination, but shall retain the sole discretion and responsibility of determining which applicants have successfully passed such an examination.

596 (3) The board shall have authority to use the laboratories
597 of the school of pharmacy and other facilities of the University
598 of Mississippi for the purpose of examining applicants.

599 SECTION 14. Section 73-21-95, Mississippi Code of 1972, is 600 reenacted as follows:

73-21-95. The assistant pharmacist license is hereby
abolished after April 30, 1984. The board shall issue a license
to practice pharmacy to those persons presently holding an
assistant pharmacist license upon their meeting the requirements
of Section 73-21-91.

606 **SECTION 15.** Section 73-21-97, Mississippi Code of 1972, is 607 reenacted as follows:

608 73-21-97. (1) The board may refuse to issue or renew, or
609 may suspend, reprimand, revoke or restrict the license,
610 registration or permit of any person upon one or more of the

611 following grounds:

(a) Unprofessional conduct as defined by the rules andregulations of the board;

(b) Incapacity of a nature that prevents a pharmacist from engaging in the practice of pharmacy with reasonable skill, confidence and safety to the public;

617 (c) Being found guilty by a court of competent618 jurisdiction of one or more of the following:

06/SS26/HB542A.1J *SS26/HB542A.1J* PAGE 19 619 (i) A felony; 620 (ii) Any act involving moral turpitude or gross 621 immorality; or 622 (iii) Violation of pharmacy or drug laws of this 623 state or rules or regulations pertaining thereto, or of statutes, 624 rules or regulations of any other state or the federal government; Fraud or intentional misrepresentation by a 625 (d) 626 licensee or permit holder in securing the issuance or renewal of a 627 license or permit; Engaging or aiding and abetting an individual to 628 (e) 629 engage in the practice of pharmacy without a license; 630 (f) Violation of any of the provisions of this chapter 631 or rules or regulations adopted pursuant to this chapter; 632 Failure to comply with lawful orders of the board; (g) 633 Negligently or willfully acting in a manner (h) 634 inconsistent with the health or safety of the public; 635 (i) Addiction to or dependence on alcohol or controlled 636 substances or the unauthorized use or possession of controlled 637 substances; 638 Misappropriation of any prescription drug; (j) 639 Being found guilty by the licensing agency in (k) 640 another state of violating the statutes, rules or regulations of 641 that jurisdiction; or (1) The unlawful or unauthorized possession of a 642 643 controlled substance. 644 In lieu of suspension, revocation or restriction of a (2) 645 license as provided for above, the board may warn or reprimand the 646 offending pharmacist. 647 In addition to the grounds specified in subsection (1) (3) 648 of this section, the board shall be authorized to suspend the license, registration or permit of any person for being out of 649 650 compliance with an order for support, as defined in Section

93-11-153. The procedure for suspension of a license, 651 652 registration or permit for being out of compliance with an order 653 for support, and the procedure for the reissuance or reinstatement 654 of a license, registration or permit suspended for that purpose, 655 and the payment of any fees for the reissuance or reinstatement of 656 a license, registration or permit suspended for that purpose, 657 shall be governed by Section 93-11-157 or 93-11-163, as the case 658 may be. If there is any conflict between any provision of Section 659 93-11-157 or 93-11-163 and any provision of this chapter, the provisions of Section 93-11-157 or 93-11-163, as the case may be, 660 661 shall control.

662 **SECTION 16.** Section 73-21-99, Mississippi Code of 1972, is 663 reenacted as follows:

664 73-21-99. (1) Disciplinary action by the board against a 665 licensee, registrant or permit holder, or license, registration or 666 permit shall require the following:

667 (a) A sworn affidavit filed with the board charging a
668 licensee or permit holder with an act which is grounds for
669 disciplinary action as provided in Section 73-21-97; and

670 (b) An order of the Investigations Review Committee of 671 the board which shall cause the executive director of the board to 672 fix a time and place for a hearing by the board. The executive 673 director shall cause a written notice specifying the offense or offenses for which the licensee or permit holder is charged and 674 675 notice of the time and place of the hearing to be served upon the licensee or permit holder at least thirty (30) days prior to the 676 677 hearing date. Such notice may be served by mailing a copy thereof by certified mail, postage prepaid, to the last known residence or 678 679 business address of the licensee or permit holder.

(2) The board shall designate two (2) of its members to
serve on a rotating no longer than three-consecutive-month basis
with the executive director and legal counsel for the board as an

Investigations Review Committee, and the board's investigators 683 684 shall provide status reports solely to the Investigations Review 685 Committee during monthly meetings of the board. Such reports 686 shall be made on all on-going investigations, and shall apply to 687 any routine inspections which may give rise to the filing of a 688 complaint. In the event any complaint on a licensee comes before 689 the board for possible disciplinary action, the members of the 690 board serving on the Investigations Review Committee which 691 reviewed the investigation of such complaint shall recuse 692 themselves and not participate in the disciplinary proceeding.

693 (3) The board acting by and through its Investigation Review 694 Committee may, if deemed necessary, issue a letter of reprimand to 695 any licensee, registrant or permit holder in lieu of formal action 696 by the board.

697 (4) The board, acting by and through its executive director, 698 is hereby authorized and empowered to issue subpoenas for the 699 attendance of witnesses and the production of books and papers at 700 such hearing. Process issued by the board shall extend to all 701 parts of the state and shall be served by any person designated by 702 the board for such service.

(5) The accused shall have the right to appear either personally or by counsel or both to produce witnesses or evidence in his behalf, to cross-examine witnesses and to have subpoenas issued by the board.

(6) At the hearing, the board shall administer oaths as may be necessary for the proper conduct of the hearing. All hearings shall be conducted by the board, which shall not be bound by strict rules of procedure or by the laws of evidence in the conduct of its proceedings, but the determination shall be based upon sufficient evidence to sustain it.

(7) Where, in any proceeding before the board, any witnessfails or refuses to attend upon a subpoena issued by the board,

refuses to testify, or refuses to produce any books and papers the production of which is called for by a subpoena, the attendance of such witness, the giving of his testimony or the production of the books and papers shall be enforced by any court of competent jurisdiction of this state in the manner provided for the enforcement of attendance and testimony of witnesses in civil cases in the courts of this state.

722 (8) The board shall, within thirty (30) days after 723 conclusion of the hearing, reduce its decision to writing and 724 forward an attested true copy thereof to the last known residence 725 or business address of such licensee or permit holder by way of 726 United States first-class, certified mail, postage prepaid.

727 SECTION 17. Section 73-21-101, Mississippi Code of 1972, is 728 reenacted as follows:

729 73-21-101. (1) The right to appeal from the action of the 730 board in denying, revoking, suspending or refusing to renew any 731 license, registration or permit issued by the board, or fining or 732 otherwise disciplining any person is hereby granted. Such appeal 733 shall be to the chancery court of the county of the residence of 734 the licensee or permit holder on the record made, including a 735 verbatim transcript of the testimony at the hearing. The appeal 736 shall be taken within thirty (30) days after notice of the action 737 of the board in denying, revoking, suspending or refusing to renew the license or permit, or fining or otherwise disciplining the 738 739 The appeal shall be perfected upon filing notice of the person. 740 appeal and by the prepayment of all costs, including the cost of 741 the preparation of the record of the proceedings by the board, and 742 the filing of a bond in the sum of Two Hundred Dollars (\$200.00), 743 conditioned that if the action of the board in denying, revoking, 744 suspending or refusing to renew the license or permit, or fining 745 or otherwise disciplining the person, be affirmed by the chancery

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746 court, the licensee or permit holder will pay the costs of the 747 appeal and the action in the chancery court.

748 If there is an appeal, such appeal shall act as a (2) 749 supersedeas. The chancery court shall dispose of the appeal and 750 enter its decision promptly. The hearing on the appeal may, in the discretion of the chancellor, be tried in vacation. The scope 751 752 of review of the chancery court shall be limited to a review of the record made before the board to determine if the action of the 753 board is unlawful for the reason that it was (a) not supported by 754 755 substantial evidence, (b) arbitrary or capricious, (c) beyond the 756 power of the board to make, or (d) in violation of some statutory 757 or constitutional right of the appellant. The decision of the 758 chancery court may be appealed to the Supreme Court in the manner 759 provided by law.

(3) Actions taken by the board in suspending a license, 760 761 registration or permit when required by Section 93-11-157 or 762 93-11-163 are not actions from which an appeal may be taken under 763 this section. Any appeal of a suspension of a license, 764 registration or permit that is required by Section 93-11-157 or 765 93-11-163 shall be taken in accordance with the appeal procedure 766 specified in Section 93-11-157 or 93-11-163, as the case may be, 767 rather than the procedure specified in this section.

768 **SECTION 18.** Section 73-21-103, Mississippi Code of 1972, is 769 reenacted as follows:

770 73-21-103. (1) Upon the finding of the existence of grounds 771 for action against any permitted facility or discipline of any 772 person holding a license, registration or permit, seeking a 773 license, registration or permit, or seeking to renew a license or 774 permit under the provisions of this chapter, the board may impose 775 one or more of the following penalties:

(a) Suspension of the offender's license, registrationand/or permit for a term to be determined by the board;

778 (b) Revocation of the offender's license, registration 779 and/or permit;

(c) Restriction of the offender's license, registration and/or permit to prohibit the offender from performing certain acts or from engaging in the practice of pharmacy in a particular manner for a term to be determined by the board;

(d) Imposition of a monetary penalty as follows:
(i) For the first violation, a monetary penalty of
not less than Two Hundred Fifty Dollars (\$250.00) nor more than

787 One Thousand Dollars (\$1,000.00) for each violation;

(ii) For the second violation and subsequent
violations, a monetary penalty of not less than Five Hundred
Dollars (\$500.00) nor more than Five Thousand Dollars (\$5,000.00)
for each violation.

Money collected by the board under Section 73-21-103, <u>subsection</u> (1)(d)(i), (ii) and (iv) shall be deposited to the credit of the State General Fund of the State Treasury;

(iii) The board may assess a monetary penalty for those reasonable costs that are expended by the board in the investigation and conduct of a proceeding for licensure revocation, suspension or restriction, including, but not limited to, the cost of process service, court reporters, expert witnesses and investigators.

801 Money collected by the board under Section 73-21-103, 802 <u>subsection</u> (1)(d)(iii), shall be deposited to the credit of the 803 Special Fund of the Pharmacy Board;

804 (iv) The board may impose a monetary penalty for 805 those facilities/businesses registered with the Pharmacy Board as 806 wholesalers/manufacturers of not less than Three Hundred Dollars 807 (\$300.00) per violation and not more than Fifty Thousand Dollars 808 (\$50,000.00) per violation; 809 (e) Refusal to renew offender's license, registration810 and/or permit;

811 (f) Placement of the offender on probation and 812 supervision by the board for a period to be determined by the 813 board;

(g) Public or private reprimand.
Whenever the board imposes any penalty under this subsection,
the board may require rehabilitation and/or additional education
as the board may deem proper under the circumstances, in addition
to the penalty imposed.

819 (2) Any person whose license, registration and/or permit has 820 been suspended, revoked or restricted pursuant to this chapter, 821 whether voluntarily or by action of the board, shall have the 822 right to petition the board at reasonable intervals for 823 reinstatement of such license, registration and/or permit. Such 824 petition shall be made in writing and in the form prescribed by 825 the board. Upon investigation and hearing, the board may, in its 826 discretion, grant or deny such petition, or it may modify its original finding to reflect any circumstances which have changed 827 828 sufficiently to warrant such modifications. The procedure for the 829 reinstatement of a license, registration or permit that is 830 suspended for being out of compliance with an order for support, 831 as defined in Section 93-11-153, shall be governed by Section 93-11-157 or 93-11-163, as the case may be. 832

833 (3) Nothing herein shall be construed as barring criminal
834 prosecutions for violation of this chapter where such violations
835 are deemed as criminal offenses in other statutes of this state or
836 of the United States.

837 (4) A monetary penalty assessed and levied under this
838 section shall be paid to the board by the licensee, registrant or
839 permit holder upon the expiration of the period allowed for appeal

840 of such penalties under Section 73-21-101, or may be paid sooner 841 if the licensee, registrant or permit holder elects.

When payment of a monetary penalty assessed and levied 842 (5) 843 by the board against a licensee, registrant or permit holder in 844 accordance with this section is not paid by the licensee, 845 registrant or permit holder when due under this section, the board 846 shall have the power to institute and maintain proceedings in its 847 name for enforcement of payment in the chancery court of the county and judicial district of residence of the licensee, 848 registrant or permit holder, or if the licensee, registrant or 849 850 permit holder is a nonresident of the State of Mississippi, in the 851 Chancery Court of the First Judicial District of Hinds County, 852 Mississippi. When such proceedings are instituted, the board 853 shall certify the record of its proceedings, together with all 854 documents and evidence, to the chancery court and the matter shall 855 thereupon be heard in due course by the court, which shall review the record and make its determination thereon. The hearing on the 856 857 matter may, in the discretion of the chancellor, be tried in 858 vacation.

The board shall develop and implement a uniform penalty 859 (6) 860 policy which shall set the minimum and maximum penalty for any 861 given violation of board regulations and laws governing the 862 practice of pharmacy. The board shall adhere to its uniform penalty policy except in such cases where the board specifically 863 864 finds, by majority vote, that a penalty in excess of, or less 865 than, the uniform penalty is appropriate. Such vote shall be 866 reflected in the minutes of the board and shall not be imposed 867 unless such appears as having been adopted by the board.

868 **SECTION 19.** Section 73-21-105, Mississippi Code of 1972, is 869 reenacted as follows:

870 73-21-105. (1) Every facility/business that shall engage in871 the wholesale distribution of prescription drugs, to include

without limitation, manufacturing in this state, distribution into 872 873 this state, or selling or offering to sell in this state, or distribution from or within this state, shall register biennially 874 875 with the Mississippi State Board of Pharmacy by applying for a 876 permit on a form supplied by the board and accompanied by a fee as 877 set by subsection (4) of this section. The Pharmacy Board shall 878 by regulation determine the classification of permit(s) that shall 879 be required.

880 Every business/facility/pharmacy located in this state (2)881 that engages in or proposes to engage in the dispensing and 882 delivery of prescription drugs to consumers shall register with 883 the Mississippi State Board of Pharmacy by applying for a permit 884 on a form supplied by the board and accompanied by a fee as set by 885 subsection (4) of this section. The Pharmacy Board shall by 886 regulation determine the classification of permit(s) that shall be 887 required.

(3) The board shall establish by rule or regulation the criteria which each business shall meet to qualify for a permit in each classification. The board shall issue a permit to any applicant who meets the criteria as established. The board may issue various types of permits with varying restrictions to businesses where the board deems it necessary by reason of the type of activities conducted by the business requesting a permit.

(4) The board shall specify by rule or regulation the registration procedures to be followed, including, but not limited to, specification of forms for use in applying for such permits and times, places and fees for filing such applications. However, the biennial fee for an original or renewal permit shall not exceed Three Hundred Dollars (\$300.00).

901 (5) Applications for permits shall include the following902 information about the proposed business:

903

(a) Ownership;

904

(b) Location;

905 (c) Identity of the responsible person or pharmacist 906 licensed to practice in the state, who shall be the pharmacist in 907 charge of the pharmacy, where one is required by this chapter, and 908 such further information as the board may deem necessary.

909 (6) Permits issued by the board pursuant to this section 910 shall not be transferable or assignable.

911 The board shall specify by rule or regulation minimum (7) 912 standards for the responsibility in the conduct of any business/facility and/or pharmacy that has been issued a permit. 913 914 The board is specifically authorized to require that the portion 915 of the facility located in this state to which a pharmacy permit 916 applies be operated only under the direct supervision of no less than one (1) pharmacist licensed to practice in this state, and to 917 918 provide such other special requirements as deemed necessary. 919 Nothing in this subsection shall be construed to prevent any 920 person from owning a pharmacy.

921 (8) All businesses permitted by the board shall report to922 the board the occurrence of any of the following changes:

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(a) Permanent closing;

924 (b) Change of ownership, management, location or 925 pharmacist in charge;

926 (c) Any and all other matters and occurrences as the927 board may require by rule or regulation.

928 (9) Disasters, accidents and emergencies which may affect 929 the strength, purity or labeling of drugs, medications, devices or 930 other materials used in the diagnosis or the treatment of injury, 931 illness and disease shall be immediately reported to the board.

932 (10) No business that is required to obtain a permit shall 933 be operated until a permit has been issued for such business by 934 the board. Any person, firm or corporation violating any of the 935 provisions of this section shall be guilty of a misdemeanor and,

upon conviction thereof, shall be punished by a fine of not less 936 than One Hundred Dollars (\$100.00) nor more than One Thousand 937 Dollars (\$1,000.00), or imprisonment in the county jail for not 938 939 less than thirty (30) days nor more than ninety (90) days, or by 940 both such fine and imprisonment. However, the provisions of this 941 chapter shall not apply to physicians, dentists, veterinarians, 942 osteopaths or other practitioners of the healing arts who are licensed under the laws of the State of Mississippi and are 943 944 authorized to dispense and administer prescription drugs in the course of their professional practice. 945

946 SECTION 20. Section 73-21-107, Mississippi Code of 1972, is 947 reenacted as follows:

948 73-21-107. (1) The board or its representative may enter 949 and inspect, during reasonable hours, a facility which has 950 obtained or applied for a permit under Section 73-21-105 relative 951 to the following:

952 (a) Drug storage and security;

953 (b) Equipment;

954

(c) Sanitary conditions; or

955 (d) Records, reports, or other documents required to be 956 kept or made under this chapter or the Uniform Controlled 957 Substances Law (Section 41-29-101 et seq.) or rules and 958 regulations adopted under such laws.

959 (2) Prior to an entry and inspection, the board 960 representative shall state his purpose and present appropriate 961 credentials to the owner, pharmacist or agent in charge of a 962 facility.

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(3) The board representative may:

964 (a) Inspect and copy records, reports, and other 965 documents required to be kept or made under this chapter, the 966 Uniform Controlled Substances Law, or rules and regulations 967 adopted under such laws; 968

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(b) Inspect, within reasonable limits and in a reasonable manner, a facility's storage, equipment, security, records, or prescription drugs or devices; or

971 (c) Inventory any stock of any prescription drugs or972 devices in the facility.

973 (4) Unless the owner, pharmacist, or agent in charge of the 974 facility consents in writing, an inspection authorized by this 975 section may not extend to:

976

(a) Financial data;

977 (b) Sales data other than shipment data; or

978 (c) Pricing data.

979 **SECTION 21.** Section 73-21-109, Mississippi Code of 1972, is 980 reenacted as follows:

981 73-21-109. No person shall make use of the terms "drugstore," "pharmacy," "apothecary" or words of similar meaning 982 983 which indicate that pharmaceutical services are performed in any sign, letterhead or advertisement unless such person is a permit 984 985 holder as provided in Section 73-21-105. Any person violating 986 this section shall be guilty of a misdemeanor and, upon conviction 987 thereof, shall be punished by a fine of not less than One Hundred 988 Dollars (\$100.00) nor more than Three Hundred Dollars (\$300.00), 989 or by imprisonment in the county jail for not less than thirty 990 (30) days nor more than ninety (90) days, or by both.

991 SECTION 22. Section 73-21-111, Mississippi Code of 1972, is 992 reenacted as follows:

993 73-21-111. (1) The board shall make, adopt, amend and 994 repeal from time to time such rules and regulations for the 995 regulation of supportive personnel as may be deemed necessary by 996 the board.

997 (2) Every person who acts or serves as a pharmacy technician998 in a pharmacy that is located in this state and permitted by the

999 board shall obtain a registration from the board. To obtain a 1000 pharmacy technician registration the applicant must:

1001 (a) Have submitted a written application on a form(s)1002 prescribed by the board; and

1003

(b) Be of good moral character; and

1004 (c) Have paid the initial registration fee not to 1005 exceed One Hundred Dollars (\$100.00).

1006 (3) Each pharmacy technician shall renew his or her 1007 registration annually. To renew his or her registration, a 1008 technician must:

1009 (a) Submit an application on a form prescribed by the1010 board; and

1011 (b) Pay a renewal fee not to exceed One Hundred Dollars 1012 (\$100.00) for each annual registration period. The board may add 1013 a surcharge of not more than Five Dollars (\$5.00) to the 1014 registration renewal fee to assist in funding a program that 1015 assists impaired pharmacists, pharmacy students and pharmacy 1016 technicians.

1017 (4) To insure that all applicants are of good moral 1018 character, the board shall conduct a criminal history records check on all applicants for a license. In order to determine the 1019 1020 applicant's suitability for licensing, the applicant shall be 1021 fingerprinted. The board shall submit the fingerprints to the Department of Public Safety for a check of the state criminal 1022 1023 records and forwarded to the Federal Bureau of Investigation for a check of the national criminal records. The Department of Public 1024 1025 Safety shall disseminate the results of the state check and the 1026 national check to the board for a suitability determination. The 1027 board shall be authorized to collect from the applicant the amount 1028 of the fee that the Department of Public Safety charges the board 1029 for the fingerprinting, whether manual or electronic, and the 1030 state and national criminal history records checks.

1031 SECTION 23. Section 73-21-113, Mississippi Code of 1972, is 1032 reenacted as follows:

1033 73-21-113. All fees received by the board from examinations, 1034 licenses, permits and monetary penalties, and any other funds 1035 received by the board, shall be paid to the State Treasurer, who 1036 shall issue receipts therefor and deposit such funds in the State 1037 Treasury in a special fund to the credit of the board. All such 1038 funds shall be expended only pursuant to appropriation approved by 1039 the Legislature and as provided by law.

1040 **SECTION 24.** Section 73-21-115, Mississippi Code of 1972, is 1041 reenacted as follows:

1042 73-21-115. (1) Every prescription written in this state by 1043 a person authorized to issue such prescription shall be on prescription forms containing two (2) lines for the prescriber's 1044 signature. There shall be a signature line in the lower 1045 right-hand corner of the prescription form beneath which shall be 1046 1047 clearly imprinted the words "substitution permissible." There 1048 shall be a signature line in the lower left-hand corner of the prescription form beneath which shall be clearly imprinted the 1049 1050 words "dispense as written." The prescriber's signature on either signature line shall validate the prescription and shall designate 1051 1052 approval or disapproval of product selection.

(2) If a prescription form which does not contain the two (2) signature lines required in subsection (1) of this section is utilized by the prescriber, he shall write in his own handwriting the words "dispense as written" thereupon to prevent product selection.

1058 (3) A pharmacist licensed by the Mississippi State Board of 1059 Pharmacy may dispense a one-time emergency dispensing of a 1060 prescription of up to a seventy-two-hour supply of a prescribed 1061 medication in the event the pharmacist is unable to contact the 1062 prescriber to obtain refill authorization, provided that:

(a) The prescription is not for a controlled substance;
(b) In the pharmacist's professional judgment, the
interruption of therapy might reasonably produce undesirable
health consequences or may cause physical or mental discomfort;

1067 (c) The dispensing pharmacist notifies the prescriber 1068 or his agent of the emergency dispensing within seven (7) working 1069 days after the one-time emergency dispensing;

(d) The pharmacist properly records the dispensing as a separate nonrefillable prescription. Said document shall be filed as is required of all other prescription records. This document shall be serially numbered and contain all information required of other prescriptions. In addition it shall contain the number of the prescription from which it was refilled; and

1076 (e) The pharmacist shall record on the new document the 1077 circumstances which warrant this emergency dispensing.

1078 This emergency dispensing shall be done only in the permitted 1079 facility which contains the nonrefillable prescription.

1080 SECTION 25. Section 73-21-117, Mississippi Code of 1972, is 1081 reenacted as follows:

1082 73-21-117. (1) A pharmacist may select a generic equivalent 1083 drug product only when such selection results in lower cost to the 1084 purchaser, unless product selection is expressly prohibited by the 1085 prescriber.

1086 (2) A pharmacist shall select a generic equivalent drug 1087 product when:

1088 (a) The purchaser requests the selection of a generic1089 equivalent drug product;

1090 (b) The prescriber has not expressly prohibited product 1091 selection; and

1092 (c) Product selection will result in lower cost to the 1093 purchaser.

1094 Before product selection is made, the pharmacist shall advise 1095 the purchaser of his prerogatives under this subsection.

1096 (3) When requested by the purchaser to dispense the drug 1097 product as ordered by the prescriber, a pharmacist shall not 1098 select a generic equivalent drug product.

1099 SECTION 26. Section 73-21-119, Mississippi Code of 1972, is 1100 reenacted as follows:

1101 73-21-119. (1) The label of the container of any drug 1102 product which is sold within the State of Mississippi for resale 1103 at retail and which requires a prescription to be dispensed at 1104 retail shall contain at a minimum the name of the manufacturer of 1105 the final dosage unit, expiration date if applicable, batch or lot 1106 number and national drug code.

(2) Whenever product selection is made, the pharmacist shall indicate on the label of the dispensed container the initials "G.E." and the proprietary name of the product dispensed or the generic name of the product dispensed and its manufacturer either written in full or appropriately abbreviated, unless the prescriber indicates that the name of the drug product shall not appear on the label.

1114 SECTION 27. Section 73-21-121, Mississippi Code of 1972, is
1115 reenacted as follows:

1116 73-21-121. (1) Product selection as authorized by Sections 1117 73-21-115 through 73-21-119 shall not constitute evidence of 1118 negligence by the dispensing pharmacist when such product 1119 selection is in accordance with reasonable and prudent pharmacy 1120 practice. No prescriber shall be liable for civil damages or in 1121 any criminal prosecution arising from the incorrect product 1122 selection by a pharmacist.

(2) Any person having knowledge relating to a pharmacist or to a pharmacy student which might provide grounds for disciplinary action by the board may report relevant facts to the board, and

1126 shall by reason of reporting such facts in good faith be immune
1127 from civil liability.

(3) Any person furnishing information in the form of data, reports or records to the board or to a pharmacist organization approved by the board to receive such information, where such information is furnished for the purpose of aiding a pharmacist or a pharmacy student impaired by chemical abuse or by mental or by physical illness, shall by reason of furnishing such information in good faith be immune from civil liability.

(4) The records of the board or the records of a pharmacist organization approved by the board to aid pharmacists or pharmacy students impaired by chemical abuse, where such records relate to the impairment, shall be confidential and are not considered open records; provided, however, the board may disclose this confidential information only:

1141 (a) In a disciplinary hearing before the board, or in 1142 an appeal of an action or order of the board;

(b) To the pharmacist licensing or disciplinary authorities of other jurisdictions in the case of a pharmacist who is licensed in, or seeking transfer to, another state; or

1146 (c) Pursuant to an order of a court of competent
1147 jurisdiction.

1148 **SECTION 28.** Section 73-21-123, Mississippi Code of 1972, is 1149 reenacted as follows:

1150 73-21-123. Nothing in this chapter shall be construed to prevent, or in any manner interfere with, or to require a permit 1151 1152 for the sale of nonnarcotic nonprescription drugs which may be 1153 lawfully sold under the United States Food, Drug and Cosmetic Act (21 USCS 301 et seq. as now or hereafter amended) without a 1154 prescription, nor shall any rule or regulation be adopted by the 1155 1156 board under the provisions of this chapter which shall require the 1157 sale of nonprescription drugs by a licensed pharmacist of in a

1158 pharmacy or otherwise apply to or interfere with the sale or 1159 distribution of such drugs.

1160 SECTION 29. The following provision shall be codified as
1161 Section 73-21-125, Mississippi Code of 1972:

1162 <u>73-21-125.</u> The Board of Pharmacy shall develop and implement 1163 a computerized program to track prescriptions for controlled 1164 substances and to report illegal activity, under the following 1165 conditions:

1166 The prescriptions tracked shall be prescriptions (a) for controlled substances listed in Schedule II, III, IV or V that 1167 1168 are filled by a pharmacy. The program shall provide information regarding the inappropriate use of controlled substances in 1169 1170 Schedule II, III, IV and V to pharmacies, practitioners and 1171 appropriate state agencies in order to prevent the improper or illegal use of such controlled substances. The program shall not 1172 infringe on the legal use of controlled substances for the 1173 1174 management of severe or intractable pain.

(b) The Board of Pharmacy shall report any activity it reasonably suspects may be fraudulent or illegal to the appropriate law enforcement agency or occupational licensing board and provide them with the relevant information obtained for further investigation.

(c) Information obtained from the program is confidential and must not be disclosed to any person. Information must be disclosed upon the request of a person about whom the information requested concerns or upon the request on his behalf by his attorney.

(d) Licensed physicians, dentists and pharmacists may obtain patient specific information in the program by request. (e) The Board of Pharmacy may apply for any available grants and accept any gifts, grants or donations to assist in future development or in maintaining the program.

1190 SECTION 30. The following provision shall be codified as 1191 Section 73-21-126, Mississippi Code of 1972:

1192 73-21-126. (1) The State Board of Pharmacy shall promulgate 1193 rules regarding the issuance and renewal of licenses and permits for new or renewal application requirements for both in and out of 1194 1195 state wholesale distributors, chain pharmacy warehouses and 1196 re-packagers shipping into Mississippi. Requirements for new and on renewal applications, if information has not been previously 1197 provided to the board, will include, but not be limited to, the 1198 1199 following:

1200 (a) Type of ownership (individual, partnership or 1201 corporation);

1202 (b) Names of principal owners or officers and social1203 security numbers;

1204 (c) Names of designated representatives and social 1205 security numbers;

1206 (d) Criminal background checks of applicants and1207 designated representatives as required by rule;

1208

(e) Copy of license in home state;

1209 (f) Bond requirements.

1210 (2) The board shall promulgate rules for the establishment 1211 of a pedigree or electronic file to be used by wholesale 1212 distributors, chain pharmacy warehouses and re-packagers for the 1213 purpose of ensuring the integrity of drugs owned, purchased, 1214 distributed, returned, transferred and sold when the products 1215 leave the normal distribution channel.

1216 (3) The board is authorized to use an outside agency to 1217 accredit wholesale distributors and re-packagers, including the 1218 National Association of Boards of Pharmacy's (NABP) Verified 1219 Accredited Wholesale Distributors (VAWD) program.

1220 (4) Pharmacies shall not be responsible for verification or1221 adjudication of the pedigree for pharmaceuticals.

1222 (5) The board may exempt wholesalers accredited by the VAWD1223 program from the above requirements.

1224 <u>SECTION 31.</u> Sections 31 through 35 of this act shall be 1225 known as the "Pharmacy Benefit Prompt Pay Act."

1226 <u>SECTION 32.</u> For purposes of Sections 31 through 35 of this 1227 act, the following words and phrases shall have the meanings 1228 ascribed herein unless the context clearly indicates otherwise:

(a) "Board" means the State Board of Pharmacy.
(b) "Commissioner" means the Mississippi Commissioner
of Insurance.

1232 (c) "Day" means a calendar day, unless otherwise1233 defined or limited.

(d) "Electronic claim" means the transmission of data for purposes of payment of covered prescription drugs, other products and supplies, and pharmacist services in an electronic data format specified by a pharmacy benefit manager and approved by the department.

(e) "Electronic adjudication" means the process of
electronically receiving, reviewing and accepting or rejecting an
electronic claim.

1242 (f) "Enrollee" means an individual who has been1243 enrolled in a pharmacy benefit management plan.

"Health insurance plan" means benefits consisting 1244 (g) 1245 of prescription drugs, other products and supplies, and pharmacist 1246 services provided directly, through insurance or reimbursement, or otherwise and including items and services paid for as 1247 1248 prescription drugs, other products and supplies, and pharmacist 1249 services under any hospital or medical service policy or certificate, hospital or medical service plan contract, preferred 1250 provider organization agreement, or health maintenance 1251 1252 organization contract offered by a health insurance issuer, unless 1253 preempted as an employee benefit plan under the Employee

1254 Retirement Income Security Act of 1974. However, "health 1255 insurance coverage" shall not include benefits due under the 1256 workers compensation laws of this or any other state.

1257 "Pharmacy benefit manager" means a business that (h) 1258 administers the prescription drug/device portion of pharmacy 1259 benefit management plans or health insurance plans on behalf of 1260 plan sponsors, insurance companies, unions and health maintenance organizations. For purposes of Sections 31 through 35 of this 1261 act, a "pharmacy benefit manager" shall not include an insurance 1262 1263 company that provides an integrated health benefit plan and that 1264 does not separately contract for pharmacy benefit management 1265 services. The pharmacy benefit manager of the Mississippi State 1266 and School Employees Health Insurance Plan or the Mississippi 1267 Division of Medicaid or its contractors when performing services for the Division of Medicaid shall not be subject to Sections 31 1268 through 35 of this act because of those activities, but, if they 1269 1270 are conducting business as a pharmacy benefit manager other than 1271 with those agencies, they shall be subject to Sections 31 through 1272 35 of this act for those activities only.

1273 "Pharmacy benefit management plan" means an (i) 1274 arrangement for the delivery of pharmacist's services in which a 1275 pharmacy benefit manager undertakes to administer the payment or reimbursement of any of the costs of pharmacist's services for an 1276 1277 enrollee on a prepaid or insured basis which (i) contains one or 1278 more incentive arrangements intended to influence the cost or 1279 level of pharmacist's services between the plan sponsor and one or 1280 more pharmacies with respect to the delivery of pharmacist's 1281 services; and (ii) requires or creates benefit payment differential incentives for enrollees to use under contract with 1282 the pharmacy benefit manager. A pharmacy benefit management plan 1283 1284 does not mean any employee welfare benefit plan if preempted by 1285 the Employee Retirement Income Security Act of 1974, which is

1286 self-insured or self-funded, the Mississippi State and School 1287 Employees Health Insurance Plan or the programs operated by the 1288 Mississippi Division of Medicaid.

1289 (j) "Pharmacist," "pharmacist services" and "pharmacy" 1290 or "pharmacies" shall have the same definitions as provided in 1291 Section 73-21-73.

1292 (k) "Uniform claim form" means a form prescribed by 1293 rule by the State Board of Pharmacy, provided however that, for 1294 purposes of this act, the board shall adopt the same definition or 1295 rule where the State Department of Insurance has adopted a rule 1296 covering the same type of claim. The board may modify the 1297 terminology of the rule and form when necessary to comply with the 1298 provisions of this act.

(1) "Plan sponsors" means the employers, insurance companies, unions and health maintenance organizations that contract with a pharmacy benefit manager for delivery of prescription services.

1303 SECTION 33. (1) Reimbursement under a contract to a 1304 pharmacist or pharmacy for prescription drugs and other products 1305 and supplies that is calculated according to a formula that uses a 1306 nationally recognized reference in the pricing calculation shall 1307 use the most current nationally recognized reference price or 1308 amount in the actual or constructive possession of the pharmacy 1309 benefit manager, its agent, or any other party responsible for 1310 reimbursement for prescription drugs and other products and supplies on the date of electronic adjudication or on the date of 1311 1312 service shown on the nonelectronic claim.

1313 (2) Pharmacy benefit managers, their agents and other 1314 parties responsible for reimbursement for prescription drugs and 1315 other products and supplies shall be required to update the 1316 nationally recognized reference prices or amounts used for

1317 calculation of reimbursement for prescription drugs and other 1318 products and supplies no less than every three (3) business days.

1319 (3) (a) All benefits payable under a pharmacy benefit 1320 management plan shall be paid within fifteen (15) days after 1321 receipt of due written proof of a clean claim where claims are 1322 submitted electronically, and shall be paid within thirty-five (35) days after receipt of due written proof of a clean claim 1323 where claims are submitted in paper format. Benefits due under 1324 the plan and claims are overdue if not paid within fifteen (15) 1325 1326 days or thirty-five (35) days, whichever is applicable, after the 1327 pharmacy benefit manager receives a clean claim containing necessary information essential for the pharmacy benefit manager 1328 1329 to administer preexisting condition, coordination of benefits and 1330 subrogation provisions under the plan sponsor's health insurance plan. A "clean claim" means a claim received by a pharmacy 1331 benefit manager for adjudication and which requires no further 1332 1333 information, adjustment or alteration by the pharmacist or 1334 pharmacies or the insured in order to be processed and paid by the pharmacy benefit manager. A claim is clean if it has no defect or 1335 1336 impropriety, including any lack of substantiating documentation, 1337 or particular circumstance requiring special treatment that 1338 prevents timely payment from being made on the claim under this subsection. A clean claim includes resubmitted claims with 1339 1340 previously identified deficiencies corrected.

1341 (b) A clean claim does not include any of the 1342 following:

(i) A duplicate claim, which means an original
claim and its duplicate when the duplicate is filed within thirty
(30) days of the original claim;

1346 (ii) Claims which are submitted fraudulently or1347 that are based upon material misrepresentations;

(iii) Claims that require information essential for the pharmacy benefit manager to administer preexisting condition, coordination of benefits or subrogation provisions under the plan sponsor's health insurance plan; or

(iv) Claims submitted by a pharmacist or pharmacy more than thirty (30) days after the date of service; if the pharmacist or pharmacy does not submit the claim on behalf of the insured, then a claim is not clean when submitted more than thirty (30) days after the date of billing by the pharmacist or pharmacy to the insured.

1358 (c) Not later than fifteen (15) days after the date the pharmacy benefit manager actually receives an electronic claim, 1359 1360 the pharmacy benefit manager shall pay the appropriate benefit in full, or any portion of the claim that is clean, and notify the 1361 pharmacist or pharmacy (where the claim is owed to the pharmacist 1362 or pharmacy) of the reasons why the claim or portion thereof is 1363 1364 not clean and will not be paid and what substantiating 1365 documentation and information is required to adjudicate the claim 1366 as clean. Not later than thirty-five (35) days after the date the 1367 pharmacy benefit manager actually receives a paper claim, the 1368 pharmacy benefit manager shall pay the appropriate benefit in 1369 full, or any portion of the claim that is clean, and notify the pharmacist or pharmacy (where the claim is owed to the pharmacist 1370 1371 or pharmacy) of the reasons why the claim or portion thereof is 1372 not clean and will not be paid and what substantiating documentation and information is required to adjudicate the claim 1373 1374 as clean. Any claim or portion thereof resubmitted with the 1375 supporting documentation and information requested by the pharmacy 1376 benefit manager shall be paid within twenty (20) days after 1377 receipt.

1378 (4) Any pharmacy benefit manager, agent or other party1379 responsible for reimbursement for prescription drugs and other

1380 products and supplies that does not comply with the requirements 1381 of this section shall be subject to administrative penalty 1382 provisions to the extent of any amount not paid in accordance with 1383 the requirements of this section. Such penalties are additional 1384 to and separate from the penalties set out in Section 83-9-5(8), 1385 Mississippi Code of 1972, and shall be assessed on the following 1386 basis:

1387 If the board finds that a pharmacy benefit manager, (a) during any calendar month, has paid at least eighty-five percent 1388 (85%), but less than ninety-five percent (95%), of all clean 1389 1390 claims, as defined in subsection (3) of this section, received from a pharmacy during that year, the board may levy an aggregate 1391 1392 penalty in an amount not to exceed Ten Thousand Dollars (\$10,000.00). If the board finds that a pharmacy benefit manager, 1393 during any calendar month, has paid at least seventy-five percent 1394 (75%), but less than eighty-five percent (85%), of all clean 1395 1396 claims received from a pharmacy during that month, the board may 1397 levy an aggregate penalty in an amount of not less than Ten Thousand Dollars (\$10,000.00) nor more than One Hundred Thousand 1398 1399 Dollars (\$100,000.00). If the board finds that a pharmacy benefit manager, during any calendar month, has paid less than 1400 1401 seventy-five percent (75%) of all clean claims received from a pharmacy during that month, the board may levy an aggregate 1402 1403 penalty in an amount not less than One Hundred Thousand Dollars 1404 (\$100,000.00) nor more than Two Hundred Thousand Dollars (\$200,000.00). In determining the amount of any fine, the board 1405 1406 shall take into account whether the failure to adequately pay 1407 claims was due to circumstances beyond the control of the pharmacy benefit manager. The pharmacy benefit manager may request an 1408 1409 administrative hearing to contest the assessment of any 1410 administrative penalty imposed by the board pursuant to this

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1411 subsection within thirty (30) days after receipt of the notice of 1412 assessment.

(b) Examinations to determine compliance with this subsection may be conducted by the board or any of its examiners. The board may contract with qualified impartial outside sources to assist in examinations to determine compliance. The expenses of any such examinations shall be paid by the pharmacy benefit manager examined.

1419 (c) Nothing in the provisions of this section shall 1420 require a pharmacy benefit manager to pay claims that are not 1421 covered under the terms of a contract or policy of accident and 1422 sickness insurance or prepaid coverage.

1423 (d) If the claim is not denied for valid and proper reasons by the end of the applicable time period prescribed in 1424 this provision, the pharmacy benefit manager must pay the pharmacy 1425 (where the claim is owed to the pharmacy) or the patient (where 1426 1427 the claim is owed to a patient) interest on accrued benefits at 1428 the rate of one and one-half percent (1-1/2) per month accruing from the day after payment was due on the amount of the benefits 1429 1430 that remain unpaid until the claim is finally settled or 1431 adjudicated. Whenever interest due pursuant to this provision is 1432 less than One Dollar (\$1.00), such amount shall be credited to the account of the person or entity to whom such amount is owed. 1433

1434 (e) Any pharmacy benefit manager and a pharmacy may 1435 enter into an express written agreement containing timely claim payment provisions which differ from, but are at least as 1436 1437 stringent as, the provisions set forth under subsection (3) of 1438 this section, and in such case, the provisions of the written 1439 agreement shall govern the timely payment of claims by the pharmacy benefit manager to the pharmacy. If the express written 1440 1441 agreement is silent as to any interest penalty where claims are

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1442 not paid in accordance with the agreement, the interest penalty 1443 provision of subsection (4)(d) of this section shall apply.

1444 (f) The State Board of Pharmacy may adopt rules and 1445 regulations necessary to ensure compliance with this subsection. 1446 **SECTION 34.** (1) Each pharmacy benefit manager providing 1447 pharmacy management benefit plans in this state shall file a statement with the commissioner annually by March 1 or within 1448 sixty (60) days of the end of its fiscal year if not a calendar 1449 1450 The statement shall be verified by at least two (2) year. 1451 principal officers and shall cover the preceding calendar year or 1452 the immediately preceding fiscal year of the pharmacy benefit 1453 manager.

1454 (2) The statement shall be on forms prescribed by the 1455 commissioner and shall include:

(a) A financial statement of the organization,
including its balance sheet and income statement for the preceding
year; and

(b) Any other information relating to the operations of the pharmacy benefit manager required by the commissioner under this act.

1462 (3) If the pharmacy benefit manager is audited annually by 1463 an independent certified public accountant, a copy of the 1464 certified audit report shall be filed annually with the 1465 commissioner by June 30 or within thirty (30) days of the report 1466 being final.

1467 (4) The commissioner may extend the time prescribed for any 1468 pharmacy benefit manager for filing annual statements or other 1469 reports or exhibits of any kind for good cause shown. However, 1470 the commissioner shall not extend the time for filing annual 1471 statements beyond sixty (60) days after the time prescribed by 1472 subsection (1) of this section. Any pharmacy benefit manager 1473 which fails to file its annual statement within the time

1474 prescribed by this section may have its license revoked by the 1475 board or its license revoked or suspended by the board until the 1476 annual statement is filed. The commissioner may waive the 1477 requirements for filing financial information for the pharmacy 1478 benefit manager if an affiliate of the pharmacy benefit manager is 1479 already required to file such information under current law.

1480 (5) The expense of administering this section shall be 1481 assessed annually by the commissioner against all pharmacy benefit 1482 managers operating in this state.

1483 (6) The pharmacy benefit manager shall also file a copy of 1484 its annual statement with the Mississippi Board of Pharmacy. The 1485 board shall notify the commissioner of the failure of a pharmacy 1486 benefit manager to file its annual statement.

1487 <u>SECTION 35.</u> (1) In lieu of or in addition to making its own 1488 financial examination of a pharmacy benefit manager, the 1489 commissioner may accept the report of a financial examination of 1490 other persons responsible for the pharmacy benefit manager under 1491 the laws of another state certified by the applicable official of 1492 such other state.

1493 (2) The commissioner shall coordinate financial examinations 1494 of a pharmacy benefit manager that provides pharmacy management 1495 benefit plans in this state to ensure an appropriate level of 1496 regulatory oversight and to avoid any undue duplication of effort 1497 or regulation. The pharmacy benefit manager being examined shall 1498 pay the cost of the examination. The cost of the examination 1499 shall be deposited in a special fund that shall provide all 1500 expenses for the regulation, supervision and examination of all 1501 entities subject to regulation under this act.

1502 (3) The commissioner shall provide to the board a copy of 1503 any financial examination conducted or caused to be conducted by 1504 him of a pharmacy benefit manager. The commissioner and the board 1505 may provide a copy of the financial examination to any person or

1506 entity who provides or operates a health insurance plan or to a

1507 pharmacist or pharmacy.

1508 **SECTION 36.** This act shall take effect and be in force from 1509 and after June 30, 2006.

Further, amend by striking the title in its entirety and inserting in lieu thereof the following:

AN ACT TO REENACT SECTIONS 73-21-71 THROUGH 73-21-123, 1 2 MISSISSIPPI CODE OF 1972, WHICH IS THE MISSISSIPPI PHARMACY 3 PRACTICE ACT; TO AMEND SECTION 73-21-69, MISSISSIPPI CODE OF 1972, TO EXTEND THE AUTOMATIC REPEALER ON THE MISSISSIPPI PHARMACY 4 5 PRACTICE ACT; TO AMEND SECTION 73-21-79, MISSISSIPPI CODE OF 1972, 6 TO CLARIFY CERTAIN CONDITIONS ON THE RESPONSIBILITIES OF THE 7 EXECUTIVE DIRECTOR OF THE STATE BOARD OF PHARMACY; TO AMEND SECTION 73-21-85, MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE STATE BOARD OF PHARMACY TO CONDUCT CRIMINAL RECORD BACKGROUND CHECKS ON 8 9 10 STUDENTS AT THE UNIVERSITY OF MISSISSIPPI SCHOOL OF PHARMACY; TO 11 AMEND SECTION 73-21-91, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR 12 ANNUAL RENEWAL FEES; TO CODIFY SECTION 73-21-125, MISSISSIPPI CODE OF 1972, TO AUTHORIZE AND DIRECT THE BOARD OF PHARMACY TO DEVELOP 13 AND IMPLEMENT A COMPUTER PROGRAM TO TRACK PRESCRIPTIONS FOR 14 15 CONTROLLED SUBSTANCES AND TO REPORT ILLEGAL ACTIVITY; TO CODIFY 16 SECTION 73-21-126, MISSISSIPPI CODE OF 1972, TO AUTHORIZE AND 17 DIRECT THE STATE BOARD OF PHARMACY TO PROMULGATE RULES REGARDING PERMITS FOR IN AND OUT OF STATE WHOLESALE DISTRIBUTORS, CHAIN 18 19 PHARMACY WAREHOUSES AND RE-PACKAGERS; TO ENACT THE PHARMACY BENEFIT PROMPT PAY ACT; TO PROVIDE DEFINITIONS TO REQUIRE THE USE 20 21 OF THE MOST CURRENT NATIONALLY RECOGNIZED REFERENCE PRICE BY 22 PHARMACY BENEFIT MANAGERS; TO REQUIRE PHARMACY BENEFIT MANAGERS TO 23 UPDATE SUCH PRICES AT LEAST EVERY THREE BUSINESS DAYS; TO REQUIRE 24 PAYMENTS BY PHARMACY BENEFIT MANAGEMENT PLANS TO BE MADE WITHIN 15 25 DAYS IF IN ELECTRONIC FORMAT AND WITHIN 35 DAYS IF IN PAPER 26 FORMAT; TO CLARIFY CLEAN CLAIMS REQUIREMENTS; TO PROVIDE FOR 27 ADMINISTRATIVE PENALTIES TO BE ASSESSED BY THE STATE BOARD OF PHARMACY AGAINST PHARMACY BENEFIT MANAGERS WHO FAIL TO COMPLY WITH 28 29 THE PROMPT PAY PROVISIONS; TO REQUIRE CERTAIN FINANCIAL STATEMENTS 30 TO BE MADE BY PHARMACY BENEFIT MANAGERS WITH THE COMMISSIONER OF 31 INSURANCE AND THE STATE BOARD OF PHARMACY; AND FOR RELATED 32 PURPOSES.