

By: Senator(s) Dearing, Mettetal, Browning,
Butler (38th), Gollott, Jackson (32nd),
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To: Public Health and
Welfare

SENATE BILL NO. 2445
(As Sent to Governor)

1 AN ACT TO AMEND SECTION 73-21-69, MISSISSIPPI CODE OF 1972,
2 TO EXTEND THE AUTOMATIC REPEALER ON THE SECTIONS WHICH CREATE THE
3 STATE BOARD OF PHARMACY AND PRESCRIBE ITS DUTIES AND POWERS; TO
4 REENACT SECTIONS 73-21-71 THROUGH 73-21-123, AND AMEND SECTION
5 73-21-129, MISSISSIPPI CODE OF 1972, WHICH IS THE "MISSISSIPPI
6 PHARMACY PRACTICE ACT"; TO AMEND SECTION 73-21-73, MISSISSIPPI
7 CODE OF 1972, TO DEFINE "PHARMACY BENEFIT MANAGER" FOR THE
8 PURPOSES OF THE PHARMACY PRACTICE ACT; TO AMEND SECTION 73-21-75,
9 MISSISSIPPI CODE OF 1972, TO CLARIFY THE APPOINTMENT OF MEMBERS OF
10 THE STATE BOARD OF PHARMACY; TO AMEND SECTION 73-21-97,
11 MISSISSIPPI CODE OF 1972, TO AUTHORIZE THE BOARD TO IMPOSE
12 DISCIPLINARY ACTIONS AGAINST PERSONS WHO FAIL TO OBTAIN THE
13 LICENSE, REGISTRATION OR PERMIT REQUIRED BY THE PHARMACY PRACTICE
14 ACT; TO AMEND SECTION 73-21-103, MISSISSIPPI CODE OF 1972, TO
15 AUTHORIZE THE BOARD TO IMPOSE MONETARY PENALTIES UPON ANY PERSON
16 OR BUSINESS THAT PRACTICES OR DOES BUSINESS WITHOUT THE LICENSE,
17 REGISTRATION OR PERMIT REQUIRED BY THE PHARMACY PRACTICE ACT; TO
18 AMEND SECTIONS 73-21-83 AND 73-21-91, MISSISSIPPI CODE OF 1972, TO
19 PRESCRIBE FEES FOR PHARMACY BENEFIT MANAGERS; TO AMEND SECTION
20 73-21-109, MISSISSIPPI CODE OF 1972, TO CLARIFY THE UNLAWFUL USE
21 OF CERTAIN BUSINESS NAMES; TO AMEND SECTIONS 73-21-157 AND
22 73-21-159, MISSISSIPPI CODE OF 1972, TO REQUIRE PHARMACY BENEFIT
23 MANAGERS TO OBTAIN A LICENSE FROM THE BOARD BEFORE BEGINNING TO DO
24 BUSINESS; TO CLARIFY THE REGULATORY AUTHORITY OF THE STATE BOARD
25 OF PHARMACY RELATING TO PHARMACY BENEFIT MANAGERS; TO AMEND
26 SECTION 73-21-106, MISSISSIPPI CODE OF 1972, TO CLARIFY PERMITTING
27 REQUIREMENTS FOR NONRESIDENT PHARMACIES THAT DELIVER PRESCRIPTION
28 DRUGS INTO THIS STATE AND TO REQUIRE THE PHARMACIST-IN-CHARGE OF A
29 NONRESIDENT PHARMACY TO HOLD A MISSISSIPPI PHARMACIST LICENSE; TO
30 AMEND SECTION 41-29-125, MISSISSIPPI CODE OF 1972, TO REQUIRE THE
31 REGISTRATION OF OUT-OF-STATE FACILITIES THAT DISTRIBUTE OR
32 DISPENSE CONTROLLED SUBSTANCES WITHIN THE STATE; TO AMEND SECTION
33 73-21-127, MISSISSIPPI CODE OF 1972, TO CLARIFY THE STATE BOARD OF
34 PHARMACY AUTHORITY TO TRACK CONTROLLED SUBSTANCES UNDER THE
35 MISSISSIPPI PRESCRIPTION MONITORING PROGRAM; AND FOR RELATED
36 PURPOSES.

37 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

38 **SECTION 1.** Section 73-21-69, Mississippi Code of 1972, is
39 amended as follows:



40 73-21-69. Sections 73-21-71 through 73-21-123, which create
41 the State Board of Pharmacy and prescribe its duties and powers,
42 shall stand repealed on July 1, 2016.

43 **SECTION 2.** Section 73-21-71, Mississippi Code of 1972, is
44 reenacted as follows:

45 73-21-71. This chapter shall be known as the "Mississippi
46 Pharmacy Practice Act."

47 **SECTION 3.** Section 73-21-73, Mississippi Code of 1972, is
48 reenacted and amended as follows:

49 73-21-73. As used in this chapter, unless the context
50 requires otherwise:

51 (a) "Administer" means the direct application of a
52 prescription drug pursuant to a lawful order of a practitioner to
53 the body of a patient by injection, inhalation, ingestion or any
54 other means.

55 (b) "Board of Pharmacy," "Pharmacy Board," "MSBP" or
56 "board" means the State Board of Pharmacy.

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

71 (d) "Continuing education unit" means ten (10) clock
72 hours of study or other such activity as may be approved by the



73 board, including, but not limited to, all programs which have been
74 approved by the American Council on Pharmaceutical Education.

75 (e) "Deliver" or "delivery" means the actual,
76 constructive or attempted transfer in any manner of a drug or
77 device from one person to another, whether or not for a
78 consideration, including, but not limited to, delivery by mailing
79 or shipping.

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

85 (g) "Dispense" or "dispensing" means the interpretation
86 of a valid prescription of a practitioner by a pharmacist and the
87 subsequent preparation of the drug or device for administration to
88 or use by a patient or other individual entitled to receive the
89 drug.

90 (h) "Distribute" means the delivery of a drug or device
91 other than by administering or dispensing to persons other than
92 the ultimate consumer.

93 (i) "Drug" means:

94 (i) Articles recognized as drugs in the official
95 United States Pharmacopeia, official National Formulary, official
96 Homeopathic Pharmacopeia, other drug compendium or any supplement
97 to any of them;

98 (ii) Articles intended for use in the diagnosis,
99 cure, mitigation, treatment or prevention of disease in man or
100 other animals;

101 (iii) Articles other than food intended to affect
102 the structure or any function of the body of man or other animals;
103 and



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

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

111 (k) "Extern" means a student in the professional
112 program of a school of pharmacy accredited by the American Council
113 on Pharmaceutical Education who is making normal progress toward
114 completion of a professional degree in pharmacy.

115 (l) "Foreign pharmacy graduate" means a person whose
116 undergraduate pharmacy degree was conferred by a recognized school
117 of pharmacy outside of the United States, the District of Columbia
118 and Puerto Rico. Recognized schools of pharmacy are those
119 colleges and universities listed in the World Health
120 Organization's World Directory of Schools of Pharmacy, or
121 otherwise approved by the Foreign Pharmacy Graduate Examination
122 Committee (FPGEC) certification program as established by the
123 National Association of Boards of Pharmacy.

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

132 (n) "Internet" means collectively the myriad of
133 computer and telecommunications facilities, including equipment
134 and operating software, which comprise the interconnected
135 worldwide network of networks that employ the Transmission Control
136 Protocol/Internet Protocol, or any predecessor or successor



137 protocol to such protocol, to communicate information of all kinds
138 by wire or radio.

139 (o) "Interested directly" means being employed by,
140 having full or partial ownership of, or control of, any facility
141 permitted or licensed by the Mississippi State Board of Pharmacy.

142 (p) "Interested indirectly" means having a spouse who
143 is employed by any facility permitted or licensed by the
144 Mississippi State Board of Pharmacy.

145 (q) "Intern" means a person who has graduated from a
146 school of pharmacy but has not yet become licensed as a
147 pharmacist.

148 (r) "Manufacturer" means a person, business or other
149 entity engaged in the production, preparation, propagation,
150 conversion or processing of a prescription drug or device, if such
151 actions are associated with promotion and marketing of such drugs
152 or devices.

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

158 (t) "Manufacturing" of prescription products means the
159 production, preparation, propagation, conversion or processing of
160 a drug or device, either directly or indirectly, by extraction
161 from substances from natural origin or independently by means of
162 chemical or biological synthesis, or from bulk chemicals and
163 includes any packaging or repackaging of the substance(s) or
164 labeling or relabeling of its container, if such actions are
165 associated with promotion and marketing of such drug or devices.

166 (u) "Misappropriation of a prescription drug" means to
167 illegally or unlawfully convert a drug, as defined in subsection
168 (i) of this section, to one's own use or to the use of another.



169 (v) "Nonprescription drugs" means nonnarcotic medicines
170 or drugs that may be sold without a prescription and are
171 prepackaged and labeled for use by the consumer in accordance with
172 the requirements of the statutes and regulations of this state and
173 the federal government.

174 (w) "Person" means an individual, corporation,
175 partnership, association or any other legal entity.

176 (x) "Pharmacist" means an individual health care
177 provider licensed by this state to engage in the practice of
178 pharmacy. This recognizes a pharmacist as a learned professional
179 who is authorized to provide patient services.

180 (y) "Pharmacy" means any location for which a pharmacy
181 permit is required and in which prescription drugs are maintained,
182 compounded and dispensed for patients by a pharmacist. This
183 definition includes any location where pharmacy-related services
184 are provided by a pharmacist.

185 (z) "Prepackaging" means the act of placing small
186 precounted quantities of drug products in containers suitable for
187 dispensing or administering in anticipation of prescriptions or
188 orders.

189 (aa) Unlawful or unauthorized "possession" means
190 physical holding or control by a pharmacist of a controlled
191 substance outside the usual and lawful course of employment.

192 (bb) "Practice of pharmacy" means a health care service
193 that includes, but is not limited to, the compounding, dispensing,
194 and labeling of drugs or devices; interpreting and evaluating
195 prescriptions; administering and distributing drugs and devices;
196 the compounding, dispensing and labeling of drugs and devices;
197 maintaining prescription drug records; advising and consulting
198 concerning therapeutic values, content, hazards and uses of drugs
199 and devices; initiating or modifying of drug therapy in accordance
200 with written guidelines or protocols previously established and
201 approved by the board; selecting drugs; participating in drug



202 utilization reviews; storing prescription drugs and devices;
203 ordering lab work in accordance with written guidelines or
204 protocols as defined by paragraph (ll) of this section; providing
205 pharmacotherapeutic consultations; supervising supportive
206 personnel and such other acts, services, operations or
207 transactions necessary or incidental to the conduct of the
208 foregoing.

209 (cc) "Practitioner" means a physician, dentist,
210 veterinarian, or other health care provider authorized by law to
211 diagnose and prescribe drugs.

212 (dd) "Prescription" means a written, verbal or
213 electronically transmitted order issued by a practitioner for a
214 drug or device to be dispensed for a patient by a pharmacist.

215 (ee) "Prescription drug" or "legend drug" means a drug
216 which is required under federal law to be labeled with either of
217 the following statements prior to being dispensed or delivered:

218 (i) "Caution: Federal law prohibits dispensing
219 without prescription," or

220 (ii) "Caution: Federal law restricts this drug to
221 use by or on the order of a licensed veterinarian"; or a drug
222 which is required by any applicable federal or state law or
223 regulation to be dispensed on prescription only or is restricted
224 to use by practitioners only.

225 (ff) "Product selection" means the dispensing of a
226 generic equivalent drug product in lieu of the drug product
227 ordered by the prescriber.

228 (gg) "Provider" or "primary health care provider"
229 includes a pharmacist who provides health care services within his
230 or her scope of practice pursuant to state law and regulation.

231 (hh) "Registrant" means a pharmacy or other entity
232 which is registered with the Mississippi State Board of Pharmacy
233 to buy, sell or maintain controlled substances.



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

239 (jj) "Reverse distributor" means a business operator
240 that is responsible for the receipt and appropriate return or
241 disposal of unwanted, unneeded or outdated stocks of controlled or
242 uncontrolled drugs from a pharmacy.

243 (kk) "Supportive personnel" or "pharmacist technician"
244 means those individuals utilized in pharmacies whose
245 responsibilities are to provide nonjudgmental technical services
246 concerned with the preparation and distribution of drugs under the
247 direct supervision and responsibility of a pharmacist.

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

255 (mm) "Wholesaler" means a person who buys or otherwise
256 acquires prescription drugs or prescription devices for resale or
257 distribution, or for repackaging for resale or distribution, to
258 persons other than consumers.

259 (nn) "Pharmacy benefit manager" has the same meaning as
260 defined in Section 73-21-153.

261 **SECTION 4.** Section 73-21-75, Mississippi Code of 1972, is
262 reenacted and amended as follows:

263 73-21-75. (1) The State Board of Pharmacy created by former
264 Section 73-21-9 is hereby continued and reconstituted as follows:
265 The board shall consist of seven (7) appointed members. At least
266 one (1) appointment shall be made from each congressional



267 district. Each appointed member of the board shall be appointed
268 by the Governor, with the advice and consent of the Senate, from a
269 list of five (5) names submitted by the Mississippi Pharmacists
270 Association, with input from the Magnolia Pharmaceutical Society,
271 the Mississippi Independent Pharmacies Association (MIPA),
272 Mississippi Society of Health-System Pharmacists (MSHP) and
273 Mississippi College of Clinical Pharmacy (MCCP) and other
274 pharmacist associations or societies. Of the members appointed,
275 one (1) shall, at the time of appointment, have had five (5)
276 years' experience as a pharmacist at a facility holding an
277 institutional permit, and one (1) shall, at the time of
278 appointment, have had five (5) years' experience as a pharmacist
279 at a facility holding a retail permit. Any person appointed to
280 the board shall be limited to two (2) full terms of office during
281 any fifteen-year period, including any member serving on May 14,
282 1992.

283 (2) The members of the board appointed and serving prior to
284 July 1, 1983, whose terms have not expired by July 1, 1983, shall
285 serve the balance of their terms as members of the reconstituted
286 board, and they shall be considered to be from the same
287 congressional districts from which they were originally appointed
288 if they still reside therein, even if the district boundaries have
289 changed subsequent to their original appointments. The Governor
290 shall appoint the remaining members of the reconstituted board in
291 the manner prescribed in subsection (1) of this section on July 1,
292 1983. The initial members of the reconstituted board shall serve
293 terms of office as follows:

294 (a) The term of the member from the First Congressional
295 District shall expire on July 1, 1984; and from and after July 1,
296 1996, this appointment shall be designated as Post 1.

297 (b) The term of the member from the Second
298 Congressional District shall expire on July 1, 1988; and from and



299 after July 1, 1996, this appointment shall be designated as Post
300 2.

301 (c) The term of the member from the Third Congressional
302 District shall expire on July 1, 1986; and from and after July 1,
303 1996, this appointment shall be designated as Post 3.

304 (d) The term of the member from the Fourth
305 Congressional District shall expire on July 1, 1985; and from and
306 after July 1, 1996, this appointment shall be designated as Post
307 4.

308 (e) The term of the member from the Fifth Congressional
309 District shall expire on July 1, 1987; and from and after July 1,
310 1996, this appointment shall be designated as Post 5.

311 (f) The term of one (1) of the members from the state
312 at large shall expire on July 1, 1985; and from and after July 1,
313 1996, this appointment shall be designated as Post 6.

314 (g) The term of the other member from the state at
315 large shall expire on July 1, 1988; and from and after July 1,
316 1996, this appointment shall be designated as Post 7.

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

320 (3) At the expiration of a term, members of the board shall
321 be appointed in the manner prescribed in subsection (1) of this
322 section for terms of five (5) years from the expiration date of
323 the previous terms. Any vacancy on the board prior to the
324 expiration of a term for any reason, including resignation,
325 removal, disqualification, death or disability, shall be filled by
326 appointment of the Governor in the manner prescribed in subsection
327 (1) of this section for the balance of the unexpired term. The
328 Mississippi Pharmacists Association, with input from the Magnolia
329 Pharmaceutical Society, the Mississippi Independent Pharmacies
330 Association (MIPA), Mississippi Society of Health-System
331 Pharmacists (MSHP) and Mississippi College of Clinical Pharmacy



332 (MCCP) and other pharmacist associations or societies, shall
333 submit a list of nominees no more than thirty (30) days after a
334 vacancy occurs, and the Governor shall fill such vacancies within
335 ninety (90) days after each such vacancy occurs.

336 (4) To be qualified to be a member of the board, a person
337 shall:

338 (a) Be an adult citizen of Mississippi for a period of
339 at least five (5) years preceding his appointment to the board;

340 (b) Be a pharmacist licensed and in good standing to
341 practice pharmacy in the State of Mississippi; and

342 * * *

343 (c) Have actively engaged * * * in the practice of
344 pharmacy in Mississippi for a period of at least five (5) years.

345 (5) The Governor may remove any or all members of the board
346 on proof of unprofessional conduct, continued absence from the
347 state, or for failure to perform the duties of his office. Any
348 member who shall not attend two (2) consecutive meetings of the
349 board for any reason other than illness of such member shall be
350 subject to removal by the Governor. The president of the board
351 shall notify the Governor in writing when any such member has
352 failed to attend two (2) consecutive regular meetings. No removal
353 shall be made without first giving the accused an opportunity to
354 be heard in refutation of the charges made against him, and he
355 shall be entitled to receive a copy of the charges at the time of
356 filing.

357 **SECTION 5.** Section 73-21-77, Mississippi Code of 1972, is
358 reenacted as follows:

359 73-21-77. (1) Each person appointed as a member of the
360 board shall qualify by taking the oath prescribed by the
361 Constitution for the state officers, and shall file certificate
362 thereof in the Office of the Secretary of State within fifteen
363 (15) days after his appointment.



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

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

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

374 (5) A majority of the members of the board shall constitute
375 a quorum for the conduct of the meeting and all actions of the
376 board shall be by a majority.

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

382 **SECTION 6.** Section 73-21-79, Mississippi Code of 1972, is
383 reenacted as follows:

384 73-21-79. (1) The board shall employ an executive director
385 of the board. The executive director shall be a citizen of
386 Mississippi and a pharmacist licensed and in good standing to
387 practice pharmacy in the State of Mississippi, who has had five
388 (5) years' experience as a pharmacist.

389 (2) The executive director shall receive a salary to be set
390 by the board, subject to the approval of the State Personnel
391 Board, and shall be entitled to necessary expenses incurred in the
392 performance of his official duties. He shall devote full time to
393 the duties of his office and shall not be engaged in any other
394 business that will interfere with the duties of his office.



395 (3) The duties and responsibilities of the executive
396 director shall be defined by rules and regulations prescribed by
397 the board.

398 (4) The board may, in its discretion, employ persons in
399 addition to the executive director in such other positions or
400 capacities as it deems necessary to the proper conduct of board
401 business. Any pharmacist-investigator employed by the board may
402 have other part-time employment, provided that he shall not accept
403 any employment that would cause a conflict of interest in his
404 pharmacist-investigator duties. The board may employ legal
405 counsel to assist in the conduct of its business.

406 **SECTION 7.** Section 73-21-81, Mississippi Code of 1972, is
407 reenacted as follows:

408 73-21-81. The responsibility for the enforcement of the
409 provisions of this chapter shall be vested in the board. The
410 board shall have all of the duties, powers and authority
411 specifically granted by and necessary to the enforcement of this
412 chapter. The board may make, adopt, amend and repeal such rules
413 and regulations as may be deemed necessary by the board from time
414 to time for the proper administration and enforcement of this
415 chapter, in accordance with the provisions of the Mississippi
416 Administrative Procedures Law (Section 25-43-1 et seq.).

417 **SECTION 8.** Section 73-21-85, Mississippi Code of 1972, is
418 reenacted as follows:

419 73-21-85. (1) To obtain a license to engage in the practice
420 of pharmacy by examination, or by score transfer, the applicant
421 shall:

422 (a) Have submitted a written application on the form
423 prescribed by the board;

424 (b) Be of good moral character;

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



428 (d) Have successfully passed an examination approved by
429 the board;

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

433 (f) Have paid all fees specified by the board for
434 licensure; and

435 (g) Have submitted evidence of externship and/or
436 internship as specified by the board.

437 (2) To obtain a license to engage in the practice of
438 pharmacy, a foreign pharmacy graduate applicant shall obtain the
439 National Association of Boards of Pharmacy's Foreign Pharmacy
440 Graduate Examination Committee's certification, which shall
441 include, but not be limited to, successfully passing the Foreign
442 Pharmacy Graduate Equivalency Examination and attaining a total
443 score of at least five hundred fifty (550) on the Test of English
444 as a Foreign Language (TOEFL), and shall:

445 (a) Have submitted a written application on the form
446 prescribed by the board;

447 (b) Be of good moral character;

448 (c) Have graduated and been granted a pharmacy degree
449 from a college or school of pharmacy recognized and approved by
450 the National Association of Boards of Pharmacy's Foreign Pharmacy
451 Graduate Examination Committee;

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

455 (e) Have successfully passed an examination approved by
456 the board;

457 (f) Have completed the number of internship hours as
458 set forth by regulations of the board; and

459 (g) Have paid all fees specified by the board for
460 licensure.



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

464 (4) To insure that all applicants are of good moral
465 character, the board shall conduct a criminal history records
466 check on all applicants for a license. In order to determine the
467 applicant's suitability for licensing, the applicant shall be
468 fingerprinted. The board shall submit the fingerprints to the
469 Department of Public Safety for a check of the state criminal
470 records and forwarded to the Federal Bureau of Investigation for a
471 check of the national criminal records. The Department of Public
472 Safety shall disseminate the results of the state check and the
473 national check to the board for a suitability determination. The
474 board shall be authorized to collect from the applicant the amount
475 of the fee that the Department of Public Safety charges the board
476 for the fingerprinting, whether manual or electronic, and the
477 state and national criminal history records checks.

478 (5) To insure that all applicants are of good moral
479 character, the board, upon request of the Dean of the University
480 of Mississippi School of Pharmacy, shall be authorized to conduct
481 a criminal history records check on all applicants for enrollment
482 into the School of Pharmacy. In order to determine the
483 applicant's suitability for enrollment and licensing, the
484 applicant shall be fingerprinted. The board shall submit the
485 fingerprints to the Department of Public Safety for a check of the
486 state criminal records and forwarded to the Federal Bureau of
487 Investigation for a check of the national criminal records. The
488 Department of Public Safety shall disseminate the results of the
489 state check and the national check to the board for a suitability
490 determination and the board shall forward the results to the Dean
491 of the School of Pharmacy. The board shall be authorized to
492 collect from the applicant the amount of the fee that the
493 Department of Public Safety charges the board for the



494 fingerprinting, whether manual or electronic, and the state and
495 national criminal history records checks.

496 **SECTION 9.** Section 73-21-87, Mississippi Code of 1972, is
497 reenacted as follows:

498 73-21-87. (1) To obtain a license to engage in the practice
499 of pharmacy by reciprocity or license transfer, the applicant
500 shall:

501 (a) Have submitted a written application on the form
502 prescribed by the board;

503 (b) Be of good moral character;

504 (c) Have possessed at the time of initial licensure as
505 a pharmacist such other qualifications necessary to have been
506 eligible for licensure at that time in that state;

507 (d) Have presented to the board proof that any license
508 or licenses granted to the applicant by any other states have not
509 been suspended, revoked, cancelled or otherwise restricted for any
510 reason except nonrenewal or the failure to obtain required
511 continuing education credits; and

512 (e) Have paid all fees specified by the board for
513 licensure.

514 (2) No applicant shall be eligible for licensure by
515 reciprocity or license transfer unless the state in which the
516 applicant was initially licensed also grants a reciprocal license
517 or transfer license to pharmacists licensed by this state under
518 like circumstances and conditions.

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

522 **SECTION 10.** Section 73-21-89, Mississippi Code of 1972, is
523 reenacted as follows:

524 73-21-89. (1) The board shall issue a license to practice
525 pharmacy to any person, if such person be otherwise qualified,
526 upon presentation to the board of:



527 (a) Satisfactory proof that the applicant has been
528 graduated from the University of Mississippi School of Pharmacy;
529 (b) Written application for licensure; and
530 (c) Payment of all fees specified by the board for
531 licensure.

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

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

537 **SECTION 11.** Section 73-21-93, Mississippi Code of 1972, is
538 reenacted as follows:

539 73-21-93. (1) The examination for licensure required under
540 Section 73-21-85 shall be given by the board at least once during
541 each year. The board shall determine the content and subject
542 matter of each examination, the place, time and date of the
543 administration of the examination and those persons who have
544 successfully passed the examination.

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

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

555 **SECTION 12.** Section 73-21-95, Mississippi Code of 1972, is
556 reenacted as follows:

557 73-21-95. The assistant pharmacist license is hereby
558 abolished after April 30, 1984. The board shall issue a license
559 to practice pharmacy to those persons presently holding an



560 assistant pharmacist license upon their meeting the requirements
561 of Section 73-21-91.

562 **SECTION 13.** Section 73-21-97, Mississippi Code of 1972, is
563 reenacted and amended as follows:

564 73-21-97. (1) The board may refuse to issue or renew, or
565 may suspend, reprimand, revoke or restrict the license,
566 registration or permit of any person upon one or more of the
567 following grounds:

568 (a) Unprofessional conduct as defined by the rules and
569 regulations of the board;

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

573 (c) Being found guilty by a court of competent
574 jurisdiction of one or more of the following:

575 (i) A felony;

576 (ii) Any act involving moral turpitude or gross
577 immorality; or

578 (iii) Violation of pharmacy or drug laws of this
579 state or rules or regulations pertaining thereto, or of statutes,
580 rules or regulations of any other state or the federal government;

581 (d) Fraud or intentional misrepresentation by a
582 licensee or permit holder in securing the issuance or renewal of a
583 license or permit;

584 (e) Engaging or aiding and abetting an individual to
585 engage in the practice of pharmacy without a license;

586 (f) Violation of any of the provisions of this chapter
587 or rules or regulations adopted pursuant to this chapter;

588 (g) Failure to comply with lawful orders of the board;

589 (h) Negligently or willfully acting in a manner
590 inconsistent with the health or safety of the public;



591 (i) Addiction to or dependence on alcohol or controlled
592 substances or the unauthorized use or possession of controlled
593 substances;

594 (j) Misappropriation of any prescription drug;

595 (k) Being found guilty by the licensing agency in
596 another state of violating the statutes, rules or regulations of
597 that jurisdiction;

598 (l) The unlawful or unauthorized possession of a
599 controlled substance; * * *

600 (m) Willful failure to submit drug monitoring
601 information or willful submission of incorrect dispensing
602 information as required by the Prescription Monitoring Program
603 under Section 73-21-127; or

604 (n) Failure to obtain the license, registration or
605 permit required by this chapter.

606 (2) In lieu of suspension, revocation or restriction of a
607 license as provided for above, the board may warn or reprimand the
608 offending pharmacist.

609 (3) In addition to the grounds specified in subsection (1)
610 of this section, the board shall be authorized to suspend the
611 license, registration or permit of any person for being out of
612 compliance with an order for support, as defined in Section
613 93-11-153. The procedure for suspension of a license,
614 registration or permit for being out of compliance with an order
615 for support, and the procedure for the reissuance or reinstatement
616 of a license, registration or permit suspended for that purpose,
617 and the payment of any fees for the reissuance or reinstatement of
618 a license, registration or permit suspended for that purpose,
619 shall be governed by Section 93-11-157 or 93-11-163, as the case
620 may be. If there is any conflict between any provision of Section
621 93-11-157 or 93-11-163 and any provision of this chapter, the
622 provisions of Section 93-11-157 or 93-11-163, as the case may be,
623 shall control.



624 **SECTION 14.** Section 73-21-99, Mississippi Code of 1972, is
625 reenacted as follows:

626 73-21-99. (1) Disciplinary action by the board against a
627 licensee, registrant or permit holder, or license, registration or
628 permit shall require the following:

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

632 (b) An order of the Investigations Review Committee of
633 the board which shall cause the executive director of the board to
634 fix a time and place for a hearing by the board. The executive
635 director shall cause a written notice specifying the offense or
636 offenses for which the licensee or permit holder is charged and
637 notice of the time and place of the hearing to be served upon the
638 licensee or permit holder at least thirty (30) days prior to the
639 hearing date. Such notice may be served by mailing a copy thereof
640 by certified mail, postage prepaid, to the last-known residence or
641 business address of the licensee or permit holder.

642 (2) The board shall designate two (2) of its members to
643 serve on a rotating no longer than three-consecutive-month basis
644 with the executive director and legal counsel for the board as an
645 Investigations Review Committee, and the board's investigators
646 shall provide status reports solely to the Investigations Review
647 Committee during monthly meetings of the board. Such reports
648 shall be made on all on-going investigations, and shall apply to
649 any routine inspections which may give rise to the filing of a
650 complaint. In the event any complaint on a licensee comes before
651 the board for possible disciplinary action, the members of the
652 board serving on the Investigations Review Committee which
653 reviewed the investigation of such complaint shall recuse
654 themselves and not participate in the disciplinary proceeding.

655 (3) The board acting by and through its Investigation Review
656 Committee may, if deemed necessary, issue a letter of reprimand to



657 any licensee, registrant or permit holder in lieu of formal action
658 by the board.

659 (4) The board, acting by and through its executive director,
660 is hereby authorized and empowered to issue subpoenas for the
661 attendance of witnesses and the production of books and papers at
662 such hearing. Process issued by the board shall extend to all
663 parts of the state and shall be served by any person designated by
664 the board for such service.

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

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

675 (7) Where, in any proceeding before the board, any witness
676 fails or refuses to attend upon a subpoena issued by the board,
677 refuses to testify, or refuses to produce any books and papers the
678 production of which is called for by a subpoena, the attendance of
679 such witness, the giving of his testimony or the production of the
680 books and papers shall be enforced by any court of competent
681 jurisdiction of this state in the manner provided for the
682 enforcement of attendance and testimony of witnesses in civil
683 cases in the courts of this state.

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



689 **SECTION 15.** Section 73-21-101, Mississippi Code of 1972, is
690 reenacted as follows:

691 73-21-101. (1) The right to appeal from the action of the
692 board in denying, revoking, suspending or refusing to renew any
693 license, registration or permit issued by the board, or fining or
694 otherwise disciplining any person is hereby granted. Such appeal
695 shall be to the chancery court of the county of the residence of
696 the licensee or permit holder on the record made, including a
697 verbatim transcript of the testimony at the hearing. The appeal
698 shall be taken within thirty (30) days after notice of the action
699 of the board in denying, revoking, suspending or refusing to renew
700 the license or permit, or fining or otherwise disciplining the
701 person. The appeal shall be perfected upon filing notice of the
702 appeal and by the prepayment of all costs, including the cost of
703 the preparation of the record of the proceedings by the board, and
704 the filing of a bond in the sum of Two Hundred Dollars (\$200.00),
705 conditioned that if the action of the board in denying, revoking,
706 suspending or refusing to renew the license or permit, or fining
707 or otherwise disciplining the person, be affirmed by the chancery
708 court, the licensee or permit holder will pay the costs of the
709 appeal and the action in the chancery court.

710 (2) If there is an appeal, such appeal shall act as a
711 supersedeas. The chancery court shall dispose of the appeal and
712 enter its decision promptly. The hearing on the appeal may, in
713 the discretion of the chancellor, be tried in vacation. The scope
714 of review of the chancery court shall be limited to a review of
715 the record made before the board to determine if the action of the
716 board is unlawful for the reason that it was (a) not supported by
717 substantial evidence, (b) arbitrary or capricious, (c) beyond the
718 power of the board to make, or (d) in violation of some statutory
719 or constitutional right of the appellant. The decision of the
720 chancery court may be appealed to the Supreme Court in the manner
721 provided by law.



722 (3) Actions taken by the board in suspending a license,
723 registration or permit when required by Section 93-11-157 or
724 93-11-163 are not actions from which an appeal may be taken under
725 this section. Any appeal of a suspension of a license,
726 registration or permit that is required by Section 93-11-157 or
727 93-11-163 shall be taken in accordance with the appeal procedure
728 specified in Section 93-11-157 or 93-11-163, as the case may be,
729 rather than the procedure specified in this section.

730 **SECTION 16.** Section 73-21-103, Mississippi Code of 1972, is
731 reenacted and amended as follows:

732 73-21-103. (1) Upon the finding of the existence of grounds
733 for action against any permitted facility or discipline of any
734 person holding a license, registration or permit, seeking a
735 license, registration or permit, * * * seeking to renew a license
736 or permit under the provisions of this chapter, or practicing or
737 doing business without a license, registration or permit, the
738 board may impose one or more of the following penalties:

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

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

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

747 (d) Imposition of a monetary penalty as follows:

748 (i) For the first violation, a monetary penalty of
749 not less than Two Hundred Fifty Dollars (\$250.00) nor more than
750 One Thousand Dollars (\$1,000.00) for each violation;

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



755 Money collected by the board under paragraph (d)(i), (ii) and
756 (iv) of this section shall be deposited to the credit of the State
757 General Fund of the State Treasury;

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

764 Money collected by the board under paragraph (d)(iii) of this
765 section, shall be deposited to the credit of the Special Fund of
766 the Pharmacy Board;

767 (iv) The board may impose a monetary penalty for
768 those facilities/businesses registered with the Pharmacy Board as
769 wholesalers/manufacturers of not less than Three Hundred Dollars
770 (\$300.00) per violation and not more than Fifty Thousand Dollars
771 (\$50,000.00) per violation;

772 (v) The board may impose a monetary penalty for
773 any dispenser, pharmacist or practitioner licensed to dispense
774 controlled substance and specified noncontrolled substance drugs,
775 who knowingly fails to submit drug monitoring information or
776 knowingly submits incorrect dispensing information of not more
777 than Ten Thousand Dollars (\$10,000.00) per violation. Any penalty
778 collected under this paragraph (v) shall be deposited into the
779 special fund of the State Pharmacy Board to support the operations
780 of the Prescription Monitoring Program;

781 (vi) The board may impose a monetary penalty for a
782 person authorized to obtain prescription information and who
783 knowingly discloses this information for misuse or purposely
784 alters the reporting information of not more that Fifty Thousand
785 Dollars (\$50,000.00) per violation. Any penalty collected under
786 this paragraph (vi) shall be deposited into the special fund of



787 the State Board of Pharmacy and used to support the operations of
788 the Prescription Monitoring Program;

789 (vii) The board may impose a monetary penalty of
790 not more than One Thousand Dollars (\$1,000.00) per day upon any
791 person or business that practices or does business without the
792 license, registration or permit required by this chapter.

793 (e) Refusal to renew offender's license, registration
794 and/or permit;

795 (f) Placement of the offender on probation and
796 supervision by the board for a period to be determined by the
797 board;

798 (g) Public or private reprimand.

799 Whenever the board imposes any penalty under this subsection,
800 the board may require rehabilitation and/or additional education
801 as the board may deem proper under the circumstances, in addition
802 to the penalty imposed.

803 (2) Any person whose license, registration and/or permit has
804 been suspended, revoked or restricted pursuant to this chapter,
805 whether voluntarily or by action of the board, shall have the
806 right to petition the board at reasonable intervals for
807 reinstatement of such license, registration and/or permit. Such
808 petition shall be made in writing and in the form prescribed by
809 the board. Upon investigation and hearing, the board may, in its
810 discretion, grant or deny such petition, or it may modify its
811 original finding to reflect any circumstances which have changed
812 sufficiently to warrant such modifications. The procedure for the
813 reinstatement of a license, registration or permit that is
814 suspended for being out of compliance with an order for support,
815 as defined in Section 93-11-153, shall be governed by Section
816 93-11-157 or 93-11-163, as the case may be.

817 (3) Nothing herein shall be construed as barring criminal
818 prosecutions for violation of this chapter where such violations



819 are deemed as criminal offenses in other statutes of this state or
820 of the United States.

821 (4) A monetary penalty assessed and levied under this
822 section shall be paid to the board by the licensee, registrant or
823 permit holder upon the expiration of the period allowed for appeal
824 of such penalties under Section 73-21-101, or may be paid sooner
825 if the licensee, registrant or permit holder elects.

826 (5) When payment of a monetary penalty assessed and levied
827 by the board against a licensee, registrant or permit holder in
828 accordance with this section is not paid by the licensee,
829 registrant or permit holder when due under this section, the board
830 shall have the power to institute and maintain proceedings in its
831 name for enforcement of payment in the chancery court of the
832 county and judicial district of residence of the licensee,
833 registrant or permit holder, or if the licensee, registrant or
834 permit holder is a nonresident of the State of Mississippi, in the
835 Chancery Court of the First Judicial District of Hinds County,
836 Mississippi. When such proceedings are instituted, the board
837 shall certify the record of its proceedings, together with all
838 documents and evidence, to the chancery court and the matter shall
839 thereupon be heard in due course by the court, which shall review
840 the record and make its determination thereon. The hearing on the
841 matter may, in the discretion of the chancellor, be tried in
842 vacation.

843 (6) The board shall develop and implement a uniform penalty
844 policy which shall set the minimum and maximum penalty for any
845 given violation of board regulations and laws governing the
846 practice of pharmacy. The board shall adhere to its uniform
847 penalty policy except in such cases where the board specifically
848 finds, by majority vote, that a penalty in excess of, or less
849 than, the uniform penalty is appropriate. Such vote shall be
850 reflected in the minutes of the board and shall not be imposed
851 unless such appears as having been adopted by the board.



852 **SECTION 17.** Section 73-21-105, Mississippi Code of 1972, is
853 reenacted as follows:

854 73-21-105. (1) Every facility/business that engages in the
855 wholesale distribution of prescription drugs, to include without
856 limitation, manufacturing in this state, distribution into this
857 state, or selling or offering to sell in this state, or
858 distribution from or within this state, and every reverse
859 distributor located in or outside of this state that conducts
860 business with pharmacies in this state, shall register biennially
861 with the Mississippi State Board of Pharmacy by applying for a
862 permit on a form supplied by the board and accompanied by a fee as
863 set by subsection (4) of this section. The Pharmacy Board shall
864 by regulation determine the classification of permit(s) that shall
865 be required.

866 (2) Every business/facility/pharmacy located in this state
867 that engages in or proposes to engage in the dispensing and
868 delivery of prescription drugs to consumers shall register with
869 the Mississippi State Board of Pharmacy by applying for a permit
870 on a form supplied by the board and accompanied by a fee as set by
871 subsection (4) of this section. The Pharmacy Board shall by
872 regulation determine the classification of permit(s) that shall be
873 required.

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

881 (4) The board shall specify by rule or regulation the
882 registration procedures to be followed, including, but not limited
883 to, specification of forms for use in applying for such permits
884 and times, places and fees for filing such applications. However,



885 the biennial fee for an original or renewal permit shall not
886 exceed Five Hundred Dollars (\$500.00).

887 (5) Applications for permits shall include the following
888 information about the proposed business:

889 (a) Ownership;

890 (b) Location;

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

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

897 (7) The board shall specify by rule or regulation minimum
898 standards for the responsibility in the conduct of any
899 business/facility and/or pharmacy that has been issued a permit.
900 The board is specifically authorized to require that the portion
901 of the facility located in this state to which a pharmacy permit
902 applies be operated only under the direct supervision of no less
903 than one (1) pharmacist licensed to practice in this state, and to
904 provide such other special requirements as deemed necessary.
905 Nothing in this subsection shall be construed to prevent any
906 person from owning a pharmacy.

907 (8) All businesses permitted by the board shall report to
908 the board the occurrence of any of the following changes:

909 (a) Permanent closing;

910 (b) Change of ownership, management, location or
911 pharmacist in charge;

912 (c) Any and all other matters and occurrences as the
913 board may require by rule or regulation.

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



918 (10) No business that is required to obtain a permit shall
919 be operated until a permit has been issued for such business by
920 the board. Any person, firm or corporation violating any of the
921 provisions of this section shall be guilty of a misdemeanor and,
922 upon conviction thereof, shall be punished by a fine of not less
923 than One Hundred Dollars (\$100.00) nor more than One Thousand
924 Dollars (\$1,000.00), or imprisonment in the county jail for not
925 less than thirty (30) days nor more than ninety (90) days, or by
926 both such fine and imprisonment. However, the provisions of this
927 chapter shall not apply to physicians, dentists, veterinarians,
928 osteopaths or other practitioners of the healing arts who are
929 licensed under the laws of the State of Mississippi and are
930 authorized to dispense and administer prescription drugs in the
931 course of their professional practice.

932 **SECTION 18.** Section 73-21-107, Mississippi Code of 1972, is
933 reenacted as follows:

934 73-21-107. (1) The board or its representative may enter
935 and inspect, during reasonable hours, a facility which has
936 obtained or applied for a permit under Section 73-21-105 relative
937 to the following:

- 938 (a) Drug storage and security;
- 939 (b) Equipment;
- 940 (c) Sanitary conditions; or
- 941 (d) Records, reports, or other documents required to be
942 kept or made under this chapter or the Uniform Controlled
943 Substances Law (Section 41-29-101 et seq.) or rules and
944 regulations adopted under such laws.

945 (2) Prior to an entry and inspection, the board
946 representative shall state his purpose and present appropriate
947 credentials to the owner, pharmacist or agent in charge of a
948 facility.

949 (3) The board representative may:



950 (a) Inspect and copy records, reports, and other
951 documents required to be kept or made under this chapter, the
952 Uniform Controlled Substances Law, or rules and regulations
953 adopted under such laws;

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

957 (c) Inventory any stock of any prescription drugs or
958 devices in the facility.

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

962 (a) Financial data;

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

964 (c) Pricing data.

965 **SECTION 19.** Section 73-21-108, Mississippi Code of 1972, is
966 reenacted as follows:

967 73-21-108. (1) **Definitions.** For the purposes of this
968 section:

969 (a) "Home medical equipment" means technologically
970 sophisticated medical equipment and devices usable in a home care
971 setting, including, but not limited to:

972 (i) Oxygen for human consumption, oxygen
973 concentrators and/or oxygen delivery systems and equipment;

974 (ii) Ventilators;

975 (iii) Respiratory disease management devices;

976 (iv) Electronic and computer driven wheelchairs
977 and seating systems;

978 (v) Apnea monitors;

979 (vi) Transcutaneous electrical nerve stimulator
980 (TENS) units;

981 (vii) Low air loss cutaneous pressure management
982 devices;



- 983 (viii) Sequential compression devices;
984 (ix) Neonatal home phototherapy devices;
985 (x) Feeding pumps; and
986 (xi) Other similar equipment as defined in
987 regulations adopted by the board.

988 The term "home medical equipment" does not include medical
989 equipment used in the normal course of treating patients by
990 hospitals, hospices, long-term care facilities or home health
991 agencies, or medical equipment used or dispensed by health care
992 professionals licensed by the State of Mississippi if the
993 professional is practicing within the scope of his or her
994 professional practice. In addition, the term does not include
995 items such as upper and lower extremity prosthetics, canes,
996 crutches, walkers, bathtub grab bars, standard wheelchairs,
997 commode chairs and bath benches.

998 (b) "Home medical equipment services" means the
999 delivery, installation, maintenance, replacement, and/or
1000 instruction in the use of home medical equipment, used by a sick
1001 or disabled individual, to allow the individual to be cared for
1002 and maintained in a home or noninstitutional environment.

1003 (c) "Medical gas" means those gases and liquid oxygen
1004 intended for human consumption.

1005 (d) "Order" means an order issued by a licensed
1006 practitioner legally authorized to order home medical equipment
1007 and/or medical gases.

1008 (2) **Permit required.** (a) No person, business or entity
1009 located in this state or outside of this state that is subject to
1010 this section shall sell, rent or provide or offer to sell, rent or
1011 provide directly to patients in this state any home medical
1012 equipment, legend devices, and/or medical gas unless such person,
1013 business or entity first obtains a Medical Equipment Supplier
1014 Permit from the board.



1015 (b) The permitting requirements of this section apply
1016 to all persons, companies, agencies and other business entities
1017 that are in the business of supplying home medical equipment to
1018 patients in their places of residence and that bill the patient or
1019 the patient's insurance, Medicare, Medicaid or other third party
1020 payor for the rent or sale of that equipment.

1021 (c) The board shall require a separate permit for each
1022 facility location directly or indirectly owned or operated in this
1023 state.

1024 (d) The application for a permit shall be made to the
1025 board on a form supplied by the board and shall be accompanied by
1026 a fee of not more than Three Hundred Dollars (\$300.00), as
1027 prescribed by the board. Once issued, every permit must be
1028 renewed annually, and the renewal fee shall be not more than One
1029 Hundred Seventy-five Dollars (\$175.00), as prescribed by the
1030 board.

1031 (e) All permits issued under this section shall expire
1032 annually on June 30 of each year. Applications for renewal must
1033 be made to the board on or before June 30 and must be accompanied
1034 by the fee as prescribed by the board. A late renewal fee of One
1035 Hundred Dollars (\$100.00) shall be added to all renewal
1036 applications received by the board after June 30 of each renewal
1037 period. The permit shall become void if the renewal application,
1038 renewal fee and the late renewal fee are not received by the board
1039 by September 30 of each year.

1040 (3) **Exemptions.** (a) The permitting requirements of this
1041 section do not apply to the following entities or practitioners
1042 unless they have a separate business entity, company, corporation
1043 or division that is in the business of providing home medical
1044 equipment for sale or rent to patients at their places of
1045 residence:

1046 (i) Home health agencies;

1047 (ii) Hospitals;



1048 (iii) Wholesalers and/or manufacturers;
1049 (iv) Medical doctors, physical therapists,
1050 respiratory therapists, occupational therapists, speech
1051 pathologists, optometrists, chiropractors and podiatrists who use
1052 home medical equipment and/or legend devices in their individual
1053 practices;
1054 (v) Pharmacies;
1055 (vi) Hospice programs;
1056 (vii) Nursing homes and/or long-term care
1057 facilities;
1058 (viii) Veterinarians; dentists; and emergency
1059 medical services.

1060 (b) Although community pharmacies are exempt from the
1061 permitting requirements of this section, they shall be subject to
1062 the same regulations that are applicable to permitted businesses
1063 or entities for the sale or rental of home medical equipment
1064 covered by this section.

1065 (c) Nothing in this section shall prohibit trained
1066 individuals from using oxygen, liquid oxygen and/or legend devices
1067 in emergencies.

1068 (d) Nothing in this section shall prohibit the
1069 prehospital emergency administration of oxygen by licensed health
1070 care providers, emergency medical technicians, first responders,
1071 fire fighters, law enforcement officers and other emergency
1072 personnel trained in the proper use of emergency oxygen.

1073 (4) **Order required.** Home medical equipment suppliers shall
1074 not provide any home medical equipment to a patient without a
1075 valid order from an authorized licensed practitioner.

1076 (5) **Regulations.** The board shall adopt regulations for the
1077 distribution and sale or rental of home medical equipment, legend
1078 devices and medical gases that promote the public health and
1079 welfare and comply with at least the minimum standards, terms and



1080 conditions of federal laws and regulations. The regulations shall
1081 include, without limitation:

1082 (a) Minimum information from each home medical
1083 equipment, legend device and medical gas supplier required for
1084 permitting and renewal permits;

1085 (b) Minimum qualifications of persons who engage in the
1086 distribution of home medical equipment;

1087 (c) Appropriate education, training or experience of
1088 persons employed by home medical equipment suppliers;

1089 (d) Minimum standards for storage of home medical
1090 equipment;

1091 (e) Minimum requirements for the establishment and
1092 maintenance of all records for the sale, rental and servicing of
1093 home medical equipment; and

1094 (f) Minimum standards of operation and professional
1095 conduct.

1096 (6) **Medical Equipment Advisory Committee to the board.**

1097 (a) A Medical Equipment Advisory Committee (MEAC),
1098 composed of three (3) members selected by the Mississippi
1099 Association of Medical Equipment Suppliers and approved by the
1100 board, shall review and make recommendations to the board
1101 regarding all regulations dealing with home medical equipment,
1102 legend devices and medical gases that are proposed by the board
1103 and before they are adopted by the board.

1104 (b) All MEAC members must have been actively involved
1105 in the home medical equipment business for a minimum of five (5)
1106 years before the selection to the committee and shall hold and
1107 maintain, in good standing, a permit issued by the board under
1108 this section.

1109 (c) The MEAC members shall meet at least quarterly and
1110 review all home medical equipment suppliers' inspection reports.
1111 All complaints and reports of investigations of violations of law
1112 or regulations regarding home medical equipment, legend devices



1113 and medical gases shall first be reviewed by the MEAC. After
1114 review, the MEAC may make recommendations to the board's
1115 Investigations Review Committee regarding further administrative
1116 action by the board.

1117 (d) The MEAC shall keep and maintain minutes of all
1118 meetings of the MEAC and shall provide copies of the minutes to
1119 the board on a quarterly basis.

1120 (7) **Revocation, suspension or restriction of permit and**
1121 **penalties.**

1122 (a) The board may revoke, suspend, restrict or refuse
1123 to issue or renew a permit or impose a monetary penalty, in
1124 accordance with Section 73-21-103 except that the monetary penalty
1125 shall not exceed Ten Thousand Dollars (\$10,000.00) per violation,
1126 if the business or holder of a permit or applicant for a permit
1127 issued under this section has committed or is found guilty by the
1128 board of any of the following:

1129 (i) Violation of any federal, state or local law
1130 or regulations relating to home medical equipment, legend devices
1131 or medical gases.

1132 (ii) Violation of any of the provisions of this
1133 section or regulations adopted under this section.

1134 (iii) Commission of an act or engaging in a course
1135 of conduct that constitutes a clear and present danger to the
1136 public health and safety.

1137 (iv) Filing a claim or assisting in the filing of
1138 a claim for reimbursement for home medical equipment or home
1139 medical equipment services that were not provided or that were not
1140 authorized to be provided.

1141 (v) Failure to comply with any lawful order of the
1142 board.

1143 (b) Disciplinary action by the board against a business
1144 or any person holding a permit under this section shall be in
1145 accordance with Section 73-21-99.



1146 **SECTION 20.** Section 73-21-109, Mississippi Code of 1972, is
1147 reenacted and amended as follows:

1148 73-21-109. No person shall make use of the terms
1149 "drugstore," "pharmacy," "apothecary" or words of similar meaning
1150 which indicate that pharmaceutical services are performed in any
1151 sign, letterhead or advertisement unless such person is a permit
1152 holder as provided in Section 73-21-105, or such property or name
1153 was previously registered with the Mississippi State Board of
1154 Pharmacy or provided pharmaceutical services in excess of twenty
1155 (20) years. Any person violating this section shall be guilty of
1156 a misdemeanor and, upon conviction thereof, shall be punished by a
1157 fine of not less than One Hundred Dollars (\$100.00) nor more than
1158 Three Hundred Dollars (\$300.00), or by imprisonment in the county
1159 jail for not less than thirty (30) days nor more than ninety (90)
1160 days, or by both.

1161 **SECTION 21.** Section 73-21-111, Mississippi Code of 1972, is
1162 reenacted as follows:

1163 73-21-111. (1) The board shall make, adopt, amend and
1164 repeal from time to time such rules and regulations for the
1165 regulation of supportive personnel as may be deemed necessary by
1166 the board.

1167 (2) Every person who acts or serves as a pharmacy technician
1168 in a pharmacy that is located in this state and permitted by the
1169 board shall obtain a registration from the board. To obtain a
1170 pharmacy technician registration the applicant must:

1171 (a) Have submitted a written application on a form(s)
1172 prescribed by the board; and

1173 (b) Be of good moral character; and

1174 (c) Have paid the initial registration fee not to
1175 exceed One Hundred Dollars (\$100.00).

1176 (3) Each pharmacy technician shall renew his or her
1177 registration annually. To renew his or her registration, a
1178 technician must:



1179 (a) Submit an application on a form prescribed by the
1180 board; and

1181 (b) Pay a renewal fee not to exceed One Hundred Dollars
1182 (\$100.00) for each annual registration period. The board may add
1183 a surcharge of not more than Five Dollars (\$5.00) to the
1184 registration renewal fee to assist in funding a program that
1185 assists impaired pharmacists, pharmacy students and pharmacy
1186 technicians.

1187 (4) To insure that all applicants are of good moral
1188 character, the board shall conduct a criminal history records
1189 check on all applicants for a license. In order to determine the
1190 applicant's suitability for licensing, the applicant shall be
1191 fingerprinted. The board shall submit the fingerprints to the
1192 Department of Public Safety for a check of the state criminal
1193 records and forwarded to the Federal Bureau of Investigation for a
1194 check of the national criminal records. The Department of Public
1195 Safety shall disseminate the results of the state check and the
1196 national check to the board for a suitability determination. The
1197 board shall be authorized to collect from the applicant the amount
1198 of the fee that the Department of Public Safety charges the board
1199 for the fingerprinting, whether manual or electronic, and the
1200 state and national criminal history records checks.

1201 **SECTION 22.** Section 73-21-113, Mississippi Code of 1972, is
1202 reenacted as follows:

1203 73-21-113. All fees received by the board from examinations,
1204 licenses, permits and monetary penalties, and any other funds
1205 received by the board, shall be paid to the State Treasurer, who
1206 shall issue receipts therefor and deposit such funds in the State
1207 Treasury in a special fund to the credit of the board. All such
1208 funds shall be expended only pursuant to appropriation approved by
1209 the Legislature and as provided by law.

1210 **SECTION 23.** Section 73-21-115, Mississippi Code of 1972, is
1211 reenacted as follows:



1212 73-21-115. (1) Every prescription written in this state by
1213 a person authorized to issue such prescription shall be on
1214 prescription forms containing two (2) lines for the prescriber's
1215 signature. There shall be a signature line in the lower
1216 right-hand corner of the prescription form beneath which shall be
1217 clearly imprinted the words "substitution permissible." There
1218 shall be a signature line in the lower left-hand corner of the
1219 prescription form beneath which shall be clearly imprinted the
1220 words "dispense as written." The prescriber's signature on either
1221 signature line shall validate the prescription and shall designate
1222 approval or disapproval of product selection.

1223 (2) If a prescription form which does not contain the two
1224 (2) signature lines required in subsection (1) of this section is
1225 utilized by the prescriber, he shall write in his own handwriting
1226 the words "dispense as written" thereupon to prevent product
1227 selection.

1228 (3) A pharmacist licensed by the Mississippi State Board of
1229 Pharmacy may dispense a one-time emergency dispensing of a
1230 prescription of up to a seventy-two-hour supply of a prescribed
1231 medication in the event the pharmacist is unable to contact the
1232 prescriber to obtain refill authorization, provided that:

1233 (a) The prescription is not for a controlled substance;

1234 (b) In the pharmacist's professional judgment, the
1235 interruption of therapy might reasonably produce undesirable
1236 health consequences or may cause physical or mental discomfort;

1237 (c) The dispensing pharmacist notifies the prescriber
1238 or his agent of the emergency dispensing within seven (7) working
1239 days after the one-time emergency dispensing;

1240 (d) The pharmacist properly records the dispensing as a
1241 separate nonrefillable prescription. Said document shall be filed
1242 as is required of all other prescription records. This document
1243 shall be serially numbered and contain all information required of



1244 other prescriptions. In addition it shall contain the number of
1245 the prescription from which it was refilled; and

1246 (e) The pharmacist shall record on the new document the
1247 circumstances which warrant this emergency dispensing.

1248 This emergency dispensing shall be done only in the permitted
1249 facility which contains the nonrefillable prescription.

1250 **SECTION 24.** Section 73-21-117, Mississippi Code of 1972, is
1251 reenacted as follows:

1252 73-21-117. (1) A pharmacist may select a generic equivalent
1253 drug product only when such selection results in lower cost to the
1254 purchaser, unless product selection is expressly prohibited by the
1255 prescriber.

1256 (2) A pharmacist shall select a generic equivalent drug
1257 product when:

1258 (a) The purchaser requests the selection of a generic
1259 equivalent drug product;

1260 (b) The prescriber has not expressly prohibited product
1261 selection; and

1262 (c) Product selection will result in lower cost to the
1263 purchaser.

1264 Before product selection is made, the pharmacist shall advise
1265 the purchaser of his prerogatives under this subsection.

1266 (3) When requested by the purchaser to dispense the drug
1267 product as ordered by the prescriber, a pharmacist shall not
1268 select a generic equivalent drug product.

1269 **SECTION 25.** Section 73-21-119, Mississippi Code of 1972, is
1270 reenacted as follows:

1271 73-21-119. (1) The label of the container of any drug
1272 product which is sold within the State of Mississippi for resale
1273 at retail and which requires a prescription to be dispensed at
1274 retail shall contain at a minimum the name of the manufacturer of
1275 the final dosage unit, expiration date if applicable, batch or lot
1276 number and national drug code.



1277 (2) Whenever product selection is made, the pharmacist shall
1278 indicate on the label of the dispensed container the initials
1279 "G.E." and the proprietary name of the product dispensed or the
1280 generic name of the product dispensed and its manufacturer either
1281 written in full or appropriately abbreviated, unless the
1282 prescriber indicates that the name of the drug product shall not
1283 appear on the label.

1284 **SECTION 26.** Section 73-21-121, Mississippi Code of 1972, is
1285 reenacted as follows:

1286 73-21-121. (1) Product selection as authorized by Sections
1287 73-21-115 through 73-21-119 shall not constitute evidence of
1288 negligence by the dispensing pharmacist when such product
1289 selection is in accordance with reasonable and prudent pharmacy
1290 practice. No prescriber shall be liable for civil damages or in
1291 any criminal prosecution arising from the incorrect product
1292 selection by a pharmacist.

1293 (2) Any person having knowledge relating to a pharmacist or
1294 to a pharmacy student which might provide grounds for disciplinary
1295 action by the board may report relevant facts to the board, and
1296 shall by reason of reporting such facts in good faith be immune
1297 from civil liability.

1298 (3) Any person furnishing information in the form of data,
1299 reports or records to the board or to a pharmacist organization
1300 approved by the board to receive such information, where such
1301 information is furnished for the purpose of aiding a pharmacist or
1302 a pharmacy student impaired by chemical abuse or by mental or by
1303 physical illness, shall by reason of furnishing such information
1304 in good faith be immune from civil liability.

1305 (4) The records of the board or the records of a pharmacist
1306 organization approved by the board to aid pharmacists or pharmacy
1307 students impaired by chemical abuse, where such records relate to
1308 the impairment, shall be confidential and are not considered open



1309 records; provided, however, the board may disclose this
1310 confidential information only:

1311 (a) In a disciplinary hearing before the board, or in
1312 an appeal of an action or order of the board;

1313 (b) To the pharmacist licensing or disciplinary
1314 authorities of other jurisdictions in the case of a pharmacist who
1315 is licensed in, or seeking transfer to, another state; or

1316 (c) Pursuant to an order of a court of competent
1317 jurisdiction.

1318 **SECTION 27.** Section 73-21-123, Mississippi Code of 1972, is
1319 reenacted as follows:

1320 73-21-123. Nothing in this chapter shall be construed to
1321 prevent, or in any manner interfere with, or to require a permit
1322 for the sale of nonnarcotic nonprescription drugs which may be
1323 lawfully sold under the United States Food, Drug and Cosmetic Act
1324 (21 USCS 301 et seq. as now or hereafter amended) without a
1325 prescription, nor shall any rule or regulation be adopted by the
1326 board under the provisions of this chapter which shall require the
1327 sale of nonprescription drugs by a licensed pharmacist of in a
1328 pharmacy or otherwise apply to or interfere with the sale or
1329 distribution of such drugs.

1330 **SECTION 28.** Section 73-21-129, Mississippi Code of 1972, is
1331 amended as follows:

1332 73-21-129. (1) Each manufacturer whose products are
1333 distributed within the State of Mississippi shall make adequate
1334 provision for the return of outdated drugs from pharmacies, both
1335 full and partial containers, excluding biological, infused or
1336 intravenously injected drugs and drugs that are inhaled during
1337 surgery, within six (6) months after the labeled expiration date,
1338 for prompt full credit or refund.

1339 (2) Wholesale distributors and reverse distributors that are
1340 required to register with the board and have a permit under



1341 Section 73-21-105 shall implement and administer the return
1342 policies established by the manufacturer.

1343 (3) If the board receives information that a manufacturer
1344 has failed to comply with this section, the board shall
1345 investigate the matter and present any evidence of the
1346 manufacturer's failure to comply to a review committee composed of
1347 the Dean of the University of Mississippi School of Pharmacy, the
1348 Executive Director of the State Board of Pharmacy and the Director
1349 of the Pharmacy Bureau of the Division of Medicaid, or the
1350 designee of any of those officials. The committee shall review
1351 the evidence of the manufacturer's failure to comply with this
1352 section and make a recommendation to the board regarding the
1353 discipline of the manufacturer for its failure to comply. After
1354 the board has received the recommendation of the committee, the
1355 board may discipline the manufacturer by providing that the
1356 manufacturer's products shall be ineligible for use in product
1357 selection in any state drug assistance programs.

1358 (4) A pharmacist may not dispense a prescription drug or
1359 controlled drug unless the pharmacist has satisfactory evidence
1360 that the manufacturer of the drug has a procedure for the return
1361 of expired drugs.

1362 (5) Any manufacturer that had a repurchase program in place
1363 on January 1, 2008, shall be exempt from the provisions of this
1364 section, provided that the repurchase program makes provision for
1365 the repurchase of outdated drugs in either full or partial amounts
1366 within six (6) months after the labeled expiration date.

1367 (6) As used in this section, the term "biological drug" or
1368 "biological product" means a virus, therapeutic serum, toxin,
1369 antitoxin, vaccine, blood, blood component or derivative,
1370 allergenic product or analogous product, or arsphenamine or
1371 derivative of arsphenamine or any other trivalent organic arsenic
1372 compound, applicable to the prevention, treatment or cure of a
1373 disease or condition of human beings.



1374 (7) This section shall stand repealed on July 1, 2016.

1375 **SECTION 29.** Section 73-21-83, Mississippi Code of 1972, is
1376 reenacted and amended as follows:

1377 73-21-83. (1) The board shall be responsible for the
1378 control and regulation of the practice of pharmacy, to include the
1379 regulation of pharmacy externs or interns and pharmacist
1380 technicians, in this state, the regulation of the wholesaler
1381 distribution of drugs and devices as defined in Section
1382 73-21-73, * * * the distribution of sample drugs or devices by
1383 manufacturer's distributors as defined in Section 73-21-73 by
1384 persons other than the original manufacturer or distributor in
1385 this state and the regulation of pharmacy benefit managers as
1386 defined in Section 73-21-153.

1387 (2) A license for the practice of pharmacy shall be obtained
1388 by all persons prior to their engaging in the practice of
1389 pharmacy. However, the provisions of this chapter shall not apply
1390 to physicians, dentists, veterinarians, osteopaths or other
1391 practitioners of the healing arts who are licensed under the laws
1392 of the State of Mississippi and are authorized to dispense and
1393 administer prescription drugs in the course of their professional
1394 practice.

1395 (3) The initial licensure fee shall be set by the board but
1396 shall not exceed Two Hundred Dollars (\$200.00), except the initial
1397 licensure fee for pharmacy benefit managers shall be set by the
1398 board but shall not exceed Five Hundred Dollars (\$500.00).

1399 (4) All students actively enrolled in a professional school
1400 of pharmacy accredited by the American Council on Pharmaceutical
1401 Education who are making satisfactory progress toward graduation
1402 and who act as an extern or intern under the direct supervision of
1403 a pharmacist in a location permitted by the Board of Pharmacy must
1404 obtain a pharmacy student registration prior to engaging in such
1405 activity. The student registration fee shall be set by the board
1406 but shall not exceed One Hundred Dollars (\$100.00).



1407 (5) All persons licensed to practice pharmacy prior to July
1408 1, 1991, by the State Board of Pharmacy under Section 73-21-89
1409 shall continue to be licensed under the provisions of Section
1410 73-21-91.

1411 (6) This section shall stand repealed on July 1, 2013.

1412 **SECTION 30.** Section 73-21-91, Mississippi Code of 1972, is
1413 reenacted and amended as follows:

1414 73-21-91. (1) * * * Every pharmacist shall renew his
1415 license annually. To renew his license, a pharmacist shall:

1416 (a) Submit an application for renewal on the form
1417 prescribed by the board;

1418 (b) Submit satisfactory evidence of the completion in
1419 the last licensure period of such continuing education units as
1420 shall be required by the board, but in no case less than one (1)
1421 continuing education unit in the last licensure period;

1422 (c) (i) Pay any renewal fees as required by the board,
1423 not to exceed One Hundred Dollars (\$100.00) for each annual
1424 licensing period, provided that the board may add a surcharge of
1425 not more than Five Dollars (\$5.00) to a license renewal fee to
1426 fund a program to aid impaired pharmacists or pharmacy students.
1427 Any pharmacist license renewal received postmarked after December
1428 31 of the renewal period will be returned and a Fifty Dollar
1429 (\$50.00) late renewal fee will be assessed before renewal.

1430 (ii) The license fee for a pharmacy benefit
1431 manager shall be set by the board, but shall not exceed Five
1432 Hundred Dollars (\$500.00). Any license renewal received
1433 postmarked after December 31 of the renewal period will be
1434 returned and a Five Hundred Dollar (\$500.00) late renewal fee will
1435 be assessed before renewal.

1436 (2) Any pharmacist who has defaulted in license renewal may
1437 be reinstated within two (2) years upon payment of renewal fees in
1438 arrears and presentation of evidence of the required continuing
1439 education. Any pharmacist defaulting in license renewal for a



1440 period in excess of two (2) years shall be required to
1441 successfully complete the examination given by the board pursuant
1442 to Section 73-21-85 before being eligible for reinstatement as a
1443 pharmacist in Mississippi, or shall be required to appear before
1444 the board to be examined for his competence and knowledge of the
1445 practice of pharmacy, and may be required to submit evidence of
1446 continuing education. If the person is found fit by the board to
1447 practice pharmacy in this state, the board may reinstate his
1448 license to practice pharmacy upon payment of all renewal fees in
1449 arrears.

1450 (3) Each application or filing made under this section shall
1451 include the social security number(s) of the applicant in
1452 accordance with Section 93-11-64.

1453 (4) This section shall stand repealed on July 1, 2013.

1454 **SECTION 31.** Section 73-21-157, Mississippi Code of 1972, is
1455 amended as follows:

1456 73-21-157. (1) Before beginning to do business as a
1457 pharmacy benefit manager, a pharmacy benefit manager shall obtain
1458 a license to do business from the board. To obtain a license, the
1459 applicant shall submit an application to the board on a form to be
1460 prescribed by the board.

1461 (2) Each pharmacy benefit manager providing pharmacy
1462 management benefit plans in this state shall file a statement with
1463 the board annually by March 1 or within sixty (60) days of the end
1464 of its fiscal year if not a calendar year. The statement shall be
1465 verified by at least two (2) principal officers and shall cover
1466 the preceding calendar year or the immediately preceding fiscal
1467 year of the pharmacy benefit manager.

1468 (3) The statement shall be on forms prescribed by the board
1469 and shall include:

1470 (a) A financial statement of the organization,
1471 including its balance sheet and income statement for the preceding
1472 year; and



1473 (b) Any other information relating to the operations of
1474 the pharmacy benefit manager required by the board under this
1475 section.

1476 However, no pharmacy benefit manager shall be required to
1477 disclose proprietary information of any kind to the board.

1478 (4) If the pharmacy benefit manager is audited annually by
1479 an independent certified public accountant, a copy of the
1480 certified audit report shall be filed annually with the board by
1481 June 30 or within thirty (30) days of the report being final.

1482 (5) The board may extend the time prescribed for any
1483 pharmacy benefit manager for filing annual statements or other
1484 reports or exhibits of any kind for good cause shown. However,
1485 the board shall not extend the time for filing annual statements
1486 beyond sixty (60) days after the time prescribed by subsection (1)
1487 of this section. The board may waive the requirements for filing
1488 financial information for the pharmacy benefit manager if an
1489 affiliate of the pharmacy benefit manager is already required to
1490 file such information under current law with the Commissioner of
1491 Insurance and allow the pharmacy benefit manager to file a copy of
1492 documents containing such information with the board in lieu of
1493 the statement required by this section.

1494 (6) The expense of administering this section shall be
1495 assessed annually by the board against all pharmacy benefit
1496 managers operating in this state.

1497 (7) This section shall stand repealed on July 1, 2013.

1498 **SECTION 32.** Section 73-21-159, Mississippi Code of 1972, is
1499 amended as follows:

1500 73-21-159. (1) In lieu of or in addition to making its own
1501 financial examination of a pharmacy benefit manager, the board may
1502 accept the report of a financial examination of other persons
1503 responsible for the pharmacy benefit manager under the laws of
1504 another state certified by the applicable official of such other
1505 state.



1506 (2) The board shall coordinate financial examinations of a
1507 pharmacy benefit manager that provides pharmacy management benefit
1508 plans in this state to ensure an appropriate level of regulatory
1509 oversight and to avoid any undue duplication of effort or
1510 regulation. The pharmacy benefit manager being examined shall pay
1511 the cost of the examination. The cost of the examination shall be
1512 deposited in a special fund that shall provide all expenses for
1513 the licensing, supervision and examination of all pharmacy benefit
1514 managers subject to regulation under Sections 73-21-71 through
1515 73-21-129 and Sections 73-21-151 through 73-21-159.

1516 (3) * * * The board may provide a copy of the financial
1517 examination to the person or entity who provides or operates the
1518 health insurance plan or to a pharmacist or pharmacy.

1519 (4) The board is authorized to hire independent financial
1520 consultants to conduct financial examinations of a pharmacy
1521 benefit manager and to expend funds collected under this section
1522 to pay the costs of such examinations.

1523 (5) This section shall stand repealed on July 1, 2013.

1524 **SECTION 33.** Section 73-21-106, Mississippi Code of 1972, as
1525 amended by House Bill No. 827, 2011 Regular Session, is amended as
1526 follows:

1527 73-21-106. (1) Any pharmacy located outside this state that
1528 ships, mails or delivers, in any manner, controlled substances or
1529 prescription or legend drugs or devices into this state shall be
1530 considered a nonresident pharmacy, shall be permitted by the
1531 board, and shall:

1532 (a) Disclose to the board the location, names, and
1533 titles of all principal corporate officers and all
1534 pharmacists-in-charge. A report containing this information shall
1535 be made on an annual basis and within thirty (30) days after any
1536 change of office, corporate officer or pharmacist-in-charge;

1537 (b) Comply with all lawful directions and requests for
1538 information from the regulatory or licensing agency of the state



1539 in which it is licensed as well as with all requests for
1540 information made by the board under this section. The nonresident
1541 pharmacy shall maintain at all times a valid unexpired license,
1542 permit or registration to conduct the pharmacy in compliance with
1543 the laws of the state in which it is a resident. As a
1544 prerequisite to being permitted by the board, the nonresident
1545 pharmacy shall submit a copy of the most recent inspection report
1546 resulting from an inspection conducted by the regulatory or
1547 licensing agency of the state in which it is located; * * *

1548 (c) Maintain its records of controlled substances and
1549 prescription or legend drugs or devices dispensed to patients in
1550 this state so that the records are readily retrievable from the
1551 records of other drugs dispensed; and

1552 (d) Certify that it understands Mississippi pharmacy
1553 laws and regulations and agrees to comply with those laws and
1554 regulations and any other state or federal laws that apply to the
1555 practice of pharmacy. The pharmacist-in-charge must hold a
1556 Mississippi pharmacist license, be licensed to practice pharmacy
1557 in the state of residence of the nonresident pharmacy, and be
1558 current and in good standing with the licensing boards of both
1559 states.

1560 (2) Any pharmacy subject to this section shall provide
1561 during its regular hours of operation, but not less than six (6)
1562 days per week and for a minimum of forty (40) hours per week, a
1563 toll-free telephone service to facilitate communication between
1564 patients in this state and a pharmacist at the pharmacy who has
1565 access to the patient's records. This toll-free number shall be
1566 disclosed on a label affixed to each container of drugs dispensed
1567 to patients in this state.

1568 (3) The permit fee for nonresident pharmacies shall be the
1569 same as the fee as set by subsection (4) of Section 73-21-105.

1570 (4) The permit requirements of this section shall apply to
1571 any nonresident pharmacy that dispenses, distributes, ships, mails



1572 or delivers controlled substances or prescription or legend drugs
1573 and devices into this state directly to a consumer.

1574 (5) The board may deny, revoke or suspend a nonresident
1575 pharmacy permit only for:

1576 (a) Failure to comply with any requirement of this
1577 section or Section 41-29-125;

1578 (b) Conduct that causes serious bodily or serious
1579 psychological injury to a resident of this state if the board has
1580 referred the matter to the regulatory or licensing agency in the
1581 state in which the pharmacy is located and the regulatory or
1582 licensing agency fails to initiate an investigation within
1583 forty-five (45) days of the referral; or

1584 (c) Violation of the Uniform Controlled Substances Law.

1585 (6) It is unlawful for any nonresident pharmacy that is not
1586 permitted under this section to advertise its services in this
1587 state, or for any person who is a resident of this state to
1588 advertise the pharmacy services of a nonresident pharmacy that is
1589 not permitted with the board, with the knowledge that the
1590 advertisement will or is likely to induce members of the public in
1591 this state to use the pharmacy to fill prescriptions.

1592 (7) When requested to do so by the board or the Mississippi
1593 Bureau of Narcotics, each nonresident pharmacy shall supply any
1594 inspection reports, controlled substances dispensing records,
1595 warning notices, notice of deficiency reports or any other related
1596 reports from the state in which it is located concerning the
1597 operation of a nonresident pharmacy for review of compliance with
1598 state and federal drug laws.

1599 **SECTION 34.** Section 41-29-125, Mississippi Code of 1972, as
1600 amended by House Bill No. 827, 2011 Regular Session, is amended as
1601 follows:

1602 41-29-125. (1) The State Board of Pharmacy may promulgate
1603 rules and regulations relating to the registration and control of
1604 the manufacture, distribution and dispensing of controlled



1605 substances within this state and the distribution and dispensing
1606 of controlled substances into this state from an out-of-state
1607 location.

1608 (a) Every person who manufactures, distributes or
1609 dispenses any controlled substance within this state or who
1610 distributes or dispenses any controlled substance into this state
1611 from an out-of-state location, or who proposes to engage in the
1612 manufacture, distribution or dispensing of any controlled
1613 substance within this state or the distribution or dispensing of
1614 any controlled substance into this state from an out-of-state
1615 location, must obtain a registration issued by the State Board of
1616 Pharmacy, the State Board of Medical Licensure, the State Board of
1617 Dental Examiners, the Mississippi Board of Nursing or the
1618 Mississippi Board of Veterinary Medicine, as appropriate, in
1619 accordance with its rules and the law of this state. Such
1620 registration shall be obtained annually or biennially, as
1621 specified by the issuing board, and a reasonable fee may be
1622 charged by the issuing board for such registration.

1623 (b) Persons registered by the State Board of Pharmacy,
1624 with the consent of the United States Drug Enforcement
1625 Administration and the State Board of Medical Licensure, the State
1626 Board of Dental Examiners, the Mississippi Board of Nursing or the
1627 Mississippi Board of Veterinary Medicine to manufacture,
1628 distribute, dispense or conduct research with controlled
1629 substances may possess, manufacture, distribute, dispense or
1630 conduct research with those substances to the extent authorized by
1631 their registration and in conformity with the other provisions of
1632 this article.

1633 (c) The following persons need not register and may
1634 lawfully possess controlled substances under this article:

1635 (1) An agent or employee of any registered
1636 manufacturer, distributor or dispenser of any controlled substance
1637 if he is acting in the usual course of his business or employment;



1638 (2) A common or contract carrier or warehouse, or
1639 an employee thereof, whose possession of any controlled substance
1640 is in the usual course of business or employment;

1641 (3) An ultimate user or a person in possession of
1642 any controlled substance pursuant to a valid prescription or in
1643 lawful possession of a Schedule V substance as defined in Section
1644 41-29-121.

1645 (d) The State Board of Pharmacy may waive by rule the
1646 requirement for registration of certain manufacturers,
1647 distributors or dispensers if it finds it consistent with the
1648 public health and safety.

1649 (e) A separate registration is required at each
1650 principal place of business or professional practice where an
1651 applicant within the state manufactures, distributes or dispenses
1652 controlled substances and for each principal place of business or
1653 professional practice located out-of-state from which controlled
1654 substances are distributed or dispensed into the state.

1655 (f) The State Board of Pharmacy, the Mississippi Bureau
1656 of Narcotics, the State Board of Medical Licensure, the State
1657 Board of Dental Examiners, the Mississippi Board of Nursing and
1658 the Mississippi Board of Veterinary Medicine may inspect the
1659 establishment of a registrant or applicant for registration in
1660 accordance with the regulations of these agencies as approved by
1661 the board.

1662 (2) Whenever a pharmacy ships, mails or delivers any
1663 Schedule II controlled substance listed in Section 41-29-115 to a
1664 private residence in this state, the pharmacy shall arrange with
1665 the entity that will actually deliver the controlled substance to
1666 a recipient in this state that the entity will: (a) deliver the
1667 controlled substance only to a person who is eighteen (18) years
1668 of age or older; and (b) obtain the signature of that person
1669 before delivering the controlled substance. The requirements of
1670 this subsection shall not apply to a pharmacy serving a nursing



1671 facility or to a pharmacy owned and/or operated by a hospital,
1672 nursing facility or clinic to which the general public does not
1673 have access to purchase pharmaceuticals on a retail basis.

1674 **SECTION 35.** Section 73-21-127, Mississippi Code of 1972, is
1675 amended as follows:

1676 73-21-127. The Board of Pharmacy shall develop and implement
1677 a computerized program to track prescriptions for controlled
1678 substances and to report suspected abuse and misuse of controlled
1679 substances in compliance with the federal regulations promulgated
1680 under authority of the National All Schedules Prescription
1681 Electronic Reporting Act of 2005 and in compliance with the
1682 federal HIPAA law, under the following conditions:

1683 (a) Reporting of dispensing information shall be
1684 mandatory and required by the State Board of Pharmacy for any
1685 entity dispensing controlled substances in or into the State of
1686 Mississippi.

1687 (b) The prescriptions tracked shall be prescriptions
1688 for controlled substances listed in Drug Enforcement Agency
1689 Schedule II, III, IV or V and specified noncontrolled substances
1690 authorized by the State Board of Pharmacy that are dispensed to
1691 residents in the State of Mississippi by licensed pharmacies,
1692 nonresident pharmacies, institutions, dispensing practitioners and
1693 the dispenser of veterinary controlled substance drugs, regardless
1694 of dispenser location.

1695 (c) The Board of Pharmacy shall report any activity it
1696 reasonably suspects may be fraudulent or illegal to the
1697 appropriate law enforcement agency or occupational licensing board
1698 and provide them with the relevant information obtained for
1699 further investigation.

1700 (d) The program shall provide information regarding the
1701 potential inappropriate use of controlled substances and the
1702 specified noncontrolled substances to practitioners,
1703 pharmacists-in-charge and appropriate state agencies in order to



1704 prevent the inappropriate or illegal use of these controlled
1705 substances. The specific purposes of the program shall be to: be
1706 proactive in safeguarding public health and safety; support the
1707 legitimate use of controlled substances; facilitate and encourage
1708 the identification, intervention with and treatment of individuals
1709 addicted to controlled substances and specified noncontrolled
1710 drugs; identify and prevent drug diversion; provide assistance to
1711 those state and federal law enforcement and regulatory agencies
1712 investigating cases of drug diversion or other misuse; and * * *
1713 inform the public and health care professionals of the use and
1714 abuse trends related to controlled substance and specified
1715 noncontrolled drugs.

1716 (e) Access to collected data shall be confidential and
1717 not subject to the provisions of the federal Freedom of
1718 Information Act or the Mississippi Open Records Act. The State
1719 Board of Pharmacy shall be authorized to provide collected
1720 information to: pharmacists or practitioners who are properly
1721 registered with the State Board of Pharmacy and are authorized to
1722 prescribe or dispense controlled substances for the purpose of
1723 providing medical and pharmaceutical care for their patients;
1724 local, state and federal law enforcement officials engaged in the
1725 administration, investigation or enforcement of the laws governing
1726 illicit drug use; regulatory and licensing boards in this state;
1727 Division of Medicaid regarding Medicaid and Medicare Program
1728 recipients; judicial authorities under grand jury subpoena or
1729 court order; an individual who requests the individual's own
1730 prescription monitoring information; and prescription monitoring
1731 programs in other states through mutual agreement adhering to
1732 State Board of Pharmacy policies. The State Board of Pharmacy may
1733 also provide generic, nonidentifying statistical data for research
1734 or educational purposes.

1735 (f) A dispenser pharmacist or practitioner licensed to
1736 dispense controlled substances and specified noncontrolled



1737 substance drugs who knowingly fails to submit drug monitoring
1738 information or knowingly submits incorrect dispensing information
1739 shall be subject to actions against the pharmacist's or
1740 practitioner's license, registrations or permit and/or an
1741 administrative penalty as provided in Sections 73-21-97 and
1742 73-21-103.

1743 (g) "Practitioner," as used in this section, shall
1744 include any person licensed, registered or otherwise permitted to
1745 distribute, dispense, prescribe or administer a controlled
1746 substance, as defined under Section 41-29-105(y).

1747 (h) The State Board of Pharmacy may apply for any
1748 available grants and accept any gifts, grants or donations to
1749 assist in future development or in maintaining the program.

1750 **SECTION 36.** This act shall take effect and be in force from
1751 and after its passage.

