## HOUSE BILL NO. 355

INTRODUCED BY HARPER, WELDON, DAVIS, REAM, EWER, RUSSELL, SQUIRES, TOOLE, RYAN, WYATT, GALVIN, GERVAIS, GRADY, ECK, STRIZICH, COCCHIARELLA, MENAHAN, WHALEN, DOHERTY, TUNBY, MCCAFFREE, PAVLOVICH, PIPINICH, DOWELL, KADAS, STOVALL, MILLS, COBB

## IN THE HOUSE

| 11                | THE HOUSE  |
|-------------------|--|
| JANUARY 26, 1993  | INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & ECONOMIC DEVELOPMENT. |
|                   | FIRST READING.   |
| JANUARY 27, 1993  | ON MOTION, REREFERRED TO COMMITTEE ON HUMAN SERVICES & AGING.            |
| FEBRUARY 19, 1993 | COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.             |
| FEBRUARY 20, 1993 | PRINTING REPORT.   |
|                   | SECOND READING, DO PASS.   |
| FEBRUARY 22, 1993 | ENGROSSING REPORT.   |
| FEBRUARY 23, 1993 | THIRD READING, PASSED. AYES, 83; NOES, 13.                               |
| FEBRUARY 24, 1993 | TRANSMITTED TO SENATE.   |
| II                | THE SENATE   |
| MARCH 1, 1993     | INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.             |
|                   | FIRST READING.   |
| MARCH 26, 1993    | COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.                |
| MARCH 27, 1993    | SECOND READING, CONCURRED IN.  |
| MARCH 29, 1993    | THIRD READING, CONCURRED IN. AYES, 40; NOES, 7.                          |

IN THE HOUSE

RETURNED TO HOUSE.

MARCH 30, 1993

RECEIVED FROM SENATE.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

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1 HOUSE BILL NO. 355

2 INTRODUCED BY GAWELLON

3 ANILL FOR AN ACT ENTITLED: "AN ACT REQUIRING, THE MONTHLY

5 POSTING OF THE 20, TOP-SELLING PRESCRIPTION DRUGS BY RACH

6 LICENSED PHARMACY; PROVIDING FOR A VIOLATION AND PENALTY;

7 AND AMENDING SECTIONS 37-7-321 AND 37-7-510, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Posting of prescription drug prices — violation. (1) A licensed pharmacy engaged in the sale of prescription drugs shall post a listing of the 20 top-selling prescription drugs by brand name and retail price and by generic name and retail price on a monthly basis. The posting must list the brand name of the prescription drug, the quantity and dosage of the prescription drug, the retail price of the brand name, the generic name of the prescription drug, and the retail price of the generic drug at the same quantity and dosage as the corresponding brand name.

(2) A consumer may report to the board of pharmacy a violation of this section by filing a written complaint. A violation of this section is subject to the provisions of 37-7-321 and 37-7-510.

Section 2. Section 37-7-321, MCA, is amended to read:



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\*37-7-321. Certified pharmacy license -- suspension or 1 2 revocation. (1) The board shall provide for the original certification and annual renewal by the department of every pharmacy doing business in this state. On presentation of evidence satisfactory to the board and on application on a form prescribed by the board and on the payment of an original certification fee prescribed by the board, the department shall issue a license to a pharmacy as a certified pharmacy. However, the license may be granted only 10 to pharmacies operated by registered pharmacists qualified under this chapter. The annual renewal fee for a pharmacy 11 shall must be set by the board. Any default in the payment 12 of such the renewal fee after the date the same fee is due 13 14 shall--increase increases the renewal fee as prescribed by the board. The license must be displayed in a conspicuous 15 place in the pharmacy for which it is issued and expires on 16 17 June 30 following the date of issue. It is unlawful for a 18 person to conduct a pharmacy, use the word "pharmacy" to 19 identify his the person's business, or use the "pharmacy" in advertising unless a license has been issued 20 21 and is in effect.

- 22 (2) The board may suspend, revoke, or refuse to renew a 23 pharmacy license:
  - (a) obtained by false representation or fraud;
- 25 (b) when the pharmacy for which the license is issued

- 1 is kept open for the transaction of business without a
  2 pharmacist in charge;
- 3 (c) when the person to whom the license is granted has 4 been convicted of:
- 5 (i) a violation of parts 1 through 3 of this chapter; 6 or
- 7 (ii) a violation of the Federal Food, Drug, and Cosmetic 8 Act (Title 21, chapter 9, U.S.C.); chapter 2 or 7 of Title 9 37, chapter 9 or 10 of Title 45, or chapter 31 or 32 of 10 Title 50, MCA; or rules adopted under such the act or
- 11 chapters;
- 12 (d) when the person to whom the license is granted is a 13 natural person whose pharmacist license has been revoked; or
- (e) when the pharmacy is conducted in violation of parts 1 through 3 of this chapter; or
- 16 (f) when the pharmacy is in violation of [section 1]
  17 and until compliance is attained.
- 18 (3) Before a license can be revoked, the holder is
  19 entitled to a hearing by the board."
- Section 3. Section 37-7-510, MCA, is amended to read:
- 21 \*37-7-510. Penalty. (1) In addition to all other
  22 penalties provided by law, a person who violates the
  23 provisions of 37-7-505, 37-7-506, or 37-7-507, or [section
  24 1) or any rule promulgated as provided in 37-7-503 shall be
  25 fined no more than \$250 for each violation.

- 1 (2) The penalty imposed under this part may be remitted 2 or mitigated upon such terms and conditions as the board of 3 pharmacy considers proper and consistent with the public 4 health and safety.
- 5 (3) Upon confirmation of a written complaint regarding
  6 a violation of [section 1], the board of pharmacy shall
  7 either demand compliance prior to the issuance of a license
  8 renewal or impose the civil penalty under subsection (4).
- 9 (3)(4) A civil penalty imposed under this part becomes
  10 due and payable when the person incurring the penalty
  11 receives a notice in writing from the board of pharmacy. The
  12 notice shall must be sent by registered—or certified mail
  13 and must include:
- (a) reference to the particular sections of the statute
  or rule;
- 16 (b) a short and plain statement of the matters asserted
  17 as charged;
- 18 (c) a statement of the amount of the penalty or 19 penalties imposed; and
- 20 (d) a statement of the person's right to request a21 hearing.
- 22 (4)(5) The person to whom the notice is addressed has
  23 20 days from the date of the notice in which to make written
  24 application for a hearing before the board of pharmacy."
- 25 NEW SECTION. Section 4. Codification instruction.

## LC 0685/01

- 1 [Section 1] is intended to be codified as an integral part
- 2 of Title 37, chapter 7, and the provisions of Title 37,
- 3 chapter 7, apply to [section 1].

-Fnd-

### STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for HB0355, as introduced.

<u>DESCRIPTION OF PROPOSED LEGISLATION</u>: An act requiring the monthly posting of the 20 top-selling prescription drugs by each licensed pharmacy.

#### **ASSUMPTIONS:**

1. All of the reporting requirements are on the licensee.

FISCAL IMPACT: No state impact.

DAVID LEWIS, BUDGET DIRECTOR

DATE

Office of Budget and Program Planning

HAL HARPER, PRIMARY SPONSOR

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Fiscal Note for HB0355, as introduced

HB 355

# APPROVED BY COMM. ON HUMAN SERVICES AND AGING

| 1  | HOUSE BILL NO. 355   |
|----|--|
| 2  | INTRODUCED BY HARPER, WELDON, DAVIS, REAM, EWER,             |
| 3  | RUSSELL, SQUIRES, TOOLE, RYAN, WYATT, GALVIN,                |
| 4  | GERVAIS, GRADY, ECK, STRIZICH, COCCHIARELLA,                 |
| 5  | MENAHAN, WHALEN, DOHERTY, TUNBY, MCCAFFREE,                  |
| 6  | PAVLOVICH, PIPINICH, DOWELL, KADAS,                          |
| 7  | STOVALL, MILLS, COBB   |
| 8  |  |
| 9  | A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE BOARD OF   |
| 10 | PHARMACY TO ADOPT A RULE UNDER CERTAIN CIRCUMSTANCES; AND    |
| 11 | REQUIRING THE MONTHLY POSTING OF THE 20 TOP-SELLING          |
| 12 | PRESCRIPTION DRUGS BY EACH LICENSED PHARMACY PHARMACIES;     |
| 13 | PROVIDING-POR-A-VIOLATION-AND-PENALTY;-AND-AMENDING-SECTIONS |
| 14 | 37-7-321-ANB-37-7-510;-MCA."                                 |
| 15 |  |
| 16 | WHEREAS, RAPIDLY RISING COSTS OF PRESCRIPTION DRUGS ARE      |
| 17 | ONE OF TODAY'S MOST SERIOUS PROBLEMS FACING PERSONS ON FIXED |
| 18 | OR LOWER INCOMES; AND  |
| 19 | WHEREAS, EVEN THOUGH PRESCRIPTION DRUG PRICE INCREASES       |
| 20 | ARE DICTATED BY PHARMACEUTICAL MANUFACTURERS, THERE ARE      |
| 21 | SOMETIMES SIGNIFICANT DIFFERENCES IN PRICE FOR THE SAME      |
| 22 | PRESCRIPTION DRUG AMONG RETAIL PHARMACIES; AND               |
| 23 | WHEREAS, IN SOME INSTANCES, THE ABILITY TO COMPARISON        |
| 24 | SHOP FOR PRESCRIPTION DRUGS CAN BE HELPFUL TO THE CONSUMER   |
| 25 | IN CHOOSING A PHARMACY TO PATRONIZE.                         |

| 1  | STATEMENT OF INTENT  |
|----|--|
| 2  | A STATEMENT OF INTENT IS NECESSARY FOR THIS BILL BECAUSE     |
| 3  | [SECTION 1] REQUIRES THE BOARD OF PHARMACY, UNDER CERTAIN    |
| 4  | CIRCUMSTANCES, TO ADOPT A RULE REQUIRING THE LISTING OF      |
| 5  | CERTAIN PRESCRIPTION DRUGS. THE LEGISLATURE INTENDS THAT THE |
| 6  | BOARD OF PHARMACY MAKE EVERY EFFORT TO DEVISE, IN            |
| 7  | CONSULTATION WITH SENIOR CITIZENS, OTHER CONSUMER            |
| 8  | ORGANIZATIONS, AND RETAIL PHARMACISTS, A WORKABLE AND        |
| 9  | PRACTICAL SYSTEM FOR THE LISTING OF PRESCRIPTION DRUG        |
| 10 | PRICES. THE LIST SHOULD BE BASED UPON STANDARD ASSUMPTIONS   |
| 11 | AS TO THE QUANTITY AND DOSAGE IN ORDER TO FACILITATE         |
| 12 | COMPARISON OF PRICES.  |
| 13 |  |
| 14 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:    |
| 15 | NEW SECTION. Section 1. Posting of prescription drug         |
| 16 | prices violation- ADOPTION OF LIST BY RULE. (1)-A            |
| 17 | licensedpharmacy-engaged-in-the-sale-of-prescription-drugs   |
| 18 | shall-post-a-listingofthe20top-sellingprescription           |
| 19 | drugs-by-brand-name-and-retail-price-and-by-generic-name-and |

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dosage-as-the-corresponding-brand-name=

retail--price--on-a-monthly-basis--The-posting-must-list-the

brand-name-of-the-prescription-drug;-the-quantity-and-dosage

of-the-prescription-drugy-the--retail--price--of--the--brand

 ${\tt name_7--the--generic--name--of-the-prescription-drug_7-and-the}$ 

retail-price-of-the-generic-drug-at-the--same--quantity--and

НВ 0355/02

(2)--A--consumer--may--report-to-the-board-of-pharmacy-a violation-of-this-section-by-filing-a-written--complaint---A violation-of--this--section-is-subject-to-the-provisions-of 37-7-321-and-37-7-510- IF THE BOARD OF PHARMACY FINDS AFTER A PUBLIC HEARING THAT THE INTERESTS OF CONSUMERS WILL BE FURTHERED BY ITS ACTION, THE BOARD SHALL ANNUALLY ADOPT BY RULE A LIST OF 20 PRESCRIPTION DRUGS FREQUENTLY PRESCRIBED FOR OUTPATIENT DISPENSING IN MONTANA. A LICENSED PHARMACY, OTHER THAN IN A HOSPITAL OR NURSING HOME, THAT SELLS PRESCRIPTION DRUGS SHALL MONTHLY POST ITS PRICES FOR THE DRUGS ON THE LIST ADOPTED BY THE BOARD. THE LIST MUST SHOW THE DRUGS BY BRAND NAME AND RETAIL PRICE AND BY GENERIC NAME AND RETAIL PRICE.

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Section 2.—Section-37-7-3217-MCA7-is-amended-to-read:—

#37-7-3217-Certified-pharmacy-license---suspension--or
revocation---(t)--The--board--shall-provide-for-the-original
certification-and-annual-renewal-by-the-department-of--every
pharmacy--doing--business--in-this-state--On-presentation-of
evidence-satisfactory-to-the-board-and-on-application--on--a
form--prescribed--by--the--board--and--on--the-payment-of-an
original-certification-fee--prescribed--by--the--board7--the
department--shall--issue--a--license--to--a--pharmacy--as--a
certified-pharmacy--However7-the-license-may-be-granted-only
to--pharmacies--operated-by-registered-pharmacists-qualified
under-this-chapter7-The-annual-renewal-fee--for--a--pharmacy

1 shall must be-set-by-the-board;-Any-default-in-the-payment 2 of-such the renewal-fee-after-the-date-the-same fee is--due shall--increase increases the-renewal-fee-as-prescribed-by the-board;-The-license-must-be-displayed--in--a--conspicuous place--in-the-pharmacy-for-which-it-is-issued-and-expires-on June-30-following-the-date-of-issue:-It-is--unlawful--for--a person--to--conduct--a--pharmacyy-use-the-word-"pharmacy"-to identify--his the--person's businessy--or--use--the---word 9 "pharmacy"--in--advertising-unless-a-license-has-been-issued 10 and-is-in-effect-11 +2}--The-board-may-suspendy-revokey-or-refuse-to-renew-a 12 pharmacy-license: 13 fa)=-obtained-by-false-representation-or-fraud; 14 tb)--when-the-pharmacy-for-which-the-license--is--issued 15 is--kept--open--for--the--transaction--of-business-without-a 16 pharmacist-in-charge; 17 tc) -- when-the-person-to-whom-the-license-is-granted--has 18 been-convicted-of: 19 fi)--a--violation--of-parts-1-through-3-of-this-chapter; 20 Of 21 tiit-a-violation-of-the-Pederal-Poody-Brugy-and-Cosmetic 22 Act-{Pitle-21,-chapter-9,-U-S-C-),-chapter-2-or-7--of--Title 23 377--chapter--9--or--10--of-Title-457-or-chapter-31-or-32-of 24 Pitle-507-MCA;-or--rules--adopted--under--such the act--or

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chapters;

| 1  | <pre>(d)-~when-the-person-to-whom-the-license-is-granted-is-a</pre>      |
|----|--|
| 2  | natural-person-whose-pharmacist-license-has-been-revoked;-or             |
| 3  | te)whenthepharmacyisconductedin-violation-of                             |
| 4  | parts-1-through-3-of-this-chapter <u>7-or</u>                            |
| 5  | <pre>ff when - the - pharmacy - is - in - violation of {section 1}</pre> |
| 6  | and-until-compliance-is-attained.  |
| 7  | (3)Beforealicensecanberevoked7-the-holder-is                             |
| 8  | entitled-to-a-hearing-by-the-board."                                     |
| 9  | Section-3Section-37-7-5107-MCA7-is-amended-to-read:                      |
| 10 | *37-7-510:Penalty:(1)Inadditiontoallother                                |
| 11 | penalticsprovidedbylaw;apersonwhoviolatesthe                             |
| 12 | provisionsof37-7-505;-37-7-506;-or-37-7-507;-or-fsection                 |
| 13 | 1) or-any-rule-promulgated-as-provided-in-37-7-503-shallbe               |
| 14 | fined-no-more-than-\$250-for-each-violation+                             |
| 15 | (2)The-penalty-imposed-under-this-part-may-be-remitted                   |
| 16 | ormitigated-upon-such-terms-and-conditions-as-the-board-of               |
| 17 | pharmacy-considers-proper-andconsistentwiththepublic                     |
| 18 | health-and-safety:   |
| 19 | +3+Uponconfirmation-of-a-written-complaint-regarding                     |
| 20 | a-violation-of-{section-1},theboardofpharmacyshall                       |
| 21 | eitherdemand-compliance-prior-to-the-issuance-of-a-license               |
| 22 | renewal-or-impose-the-civil-penalty-under-subsection-(4)-                |
| 23 | (3)(4)A-civil-penalty-imposed-under-this-partbecomes                     |
| 24 | dueandpayablewhenthepersonincurringthe-penalty                           |
| 25 | receives-a-notice-in-writing-from-the-board-of-pharmacy:-The             |

| Ŧ  | notice-shall must be-sent-by-registeredorcertifiedmail               |
|----|--|
| 2  | and-must-include:  |
| 3  | (a)reference-to-the-particular-sections-of-the-statute               |
| 4  | or-rule;   |
| 5  | (b)a-short-and-plain-statement-of-the-matters-asserted               |
| 6  | as-charged;  |
| 7  | tc)astatementoftheamountofthepenaltyor                               |
| 8  | penalties-imposed;-and   |
| 9  | td)astatementoftheperson'sright-to-request-a                         |
| 10 | hearing.   |
| 11 | <pre>+4)<u>+5)</u>The-person-to-whom-the-notice-isaddressedhas</pre> |
| 12 | 20-days-from-the-date-of-the-notice-in-which-to-make-written         |
| 13 | application-for-a-hearing-before-the-board-of-pharmacy+"             |
| 14 | NEW SECTION. Section 2. Codification instruction.                    |
| 15 | [Section 1] is intended to be codified as an integral part           |
| 16 | of Title 37, chapter 7, and the provisions of Title 37,              |
| 17 | chapter 7, apply to [section 1].                                     |

-End-

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| 14 | 37-7-321-ANB-37-7-5187-MCA."                                 |
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| 16 | WHEREAS, RAPIDLY RISING COSTS OF PRESCRIPTION DRUGS ARE      |
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| 16 | prices violation: ADOPTION OF LIST BY RULE. (1)A             |
| 17 | licensedpharmacy-engaged-in-the-sale-of-prescription-drugs   |
| 18 | shall-post-a-listingofthe20top-sellingprescription           |
| 19 | drugs-by-brand-name-and-retail-price-and-by-generic-name-and |
| 20 | retailpriceon-a-monthly-basisThe-posting-must-list-the       |
| 21 | brand-name-of-the-prescription-drugy-the-quantity-and-dosage |
| 22 | of-the-prescription-drugy-theretailpriceofthebrand           |
| 23 | name;thegenericnameof-the-prescription-drug;-and-the         |
| 24 | retail-price-of-the-generic-drug-at-thesamequantityand       |
|    |  |

 ${\tt dosage-as-the-corresponding-brand-name\tau}$ 

HB 0355/02

(2)-A--consumer--may--report-to-the-board-of-pharmacy-a violation-of-this-section-by-filing-a-written--complaint:--A violation--of--this--section-is-subject-to-the-provisions-of 37-7-321-and-37-7-510: If the BOARD OF PHARMACY FINDS AFTER A PUBLIC HEARING THAT THE INTERESTS OF CONSUMERS WILL BE FURTHERED BY ITS ACTION, THE BOARD SHALL ANNUALLY ADOPT BY RULE A LIST OF 20 PRESCRIPTION DRUGS FREQUENTLY PRESCRIBED FOR OUTPATIENT DISPENSING IN MONTANA. A LICENSED PHARMACY, OTHER THAN IN A HOSPITAL OR NURSING HOME, THAT SELLS PRESCRIPTION DRUGS SHALL MONTHLY POST ITS PRICES FOR THE DRUGS ON THE LIST ADOPTED BY THE BOARD. THE LIST MUST SHOW THE DRUGS BY BRAND NAME AND RETAIL PRICE AND BY GENERIC NAME AND RETAIL PRICE.

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Section 2:—Section-37-7-321; MCA; is-amended to read:—
#37-7-321; Certified pharmacy license --- suspension -- or
revocation; Ci) -- The -- board -- shall provide for the -original
certification - and -- annual renewal by the -- department -- of -- every
pharmacy -- doing -- business -- in -- this -- state -- On -- presentation -- of
evidence -- satisfactory -- to -- the -- board -- and -- on -- application -- on -- a
form -- prescribed -- by -- the -- board -- and -- on -- the -- payment -- of -- an
original -- certification -- fee -- prescribed -- by -- the -- board -- the
department -- shall -- issue -- a -- license -- to -- a -- pharmacy -- as -- a
certified -- pharmacy -- However -- the -- license -- may -- be-granted -- only
to -- pharmacies -- operated -- by -- registered -- pharmacists -- qualified
under -- this -- chapter -- The -- annual -- renewal -- fee -- for -- a -- pharmacy

shall must be-set-by-the-board:-Any-default-in-the-payment of-such the renewal-fee-after-the-date-the-same fee is--due shall--increase increases the-renewal-fee-as-prescribed-by the-boardy-The-license-must-be-displayed--in--a--conspicuous piace--in-the-pharmacy-for-which-it-is-issued-and-expires-on June-30-following-the-date-of-issue:-It-is--unlawful--for--a person--to--conduct--a--pharmacyy-use-the-word-upharmacy4-to identify--his the--person's businessy--or--use---the---word "pharmacy"--in--advertising-unless-a-license-has-been-issued 10 and-is-in-effect-11 +2)--The-board-may-suspend;-revoke;-or-refuse-to-renew-a 12 pharmacy-license: 13 ta)--obtained-by-false-representation-or-fraud+ 14 tb)--when-the-pharmacy-for-which-the-license--is--issued 15 is--kept--open--for--the--transaction--of-business-without-a 16 phermacist-in-charge; 17 for-when-the-person-to-whom-the-license-is-granted--has 18 been-convicted-of: 19 fit--a--violation--of-parts-1-through-3-of-this-chapter; 20 Of 21 tiit-a-violation-of-the-Pederal-Poody-Drugy-and-Cosmetic 22 Act-fPitle-217-chapter-97-UrS-C+j7-chapter-2-or-7--of--Pitle 23 377--chapter--9--or--10--of-Title-457-or-chapter-31-or-32-of Pitle-50;-MCA;-or--rules--adopted--under--such the act--or 24 25 chapters;

| L | <pre>{d}when-the-person-to-whom-the-license-is-granted-is-a</pre> |
|---|---|
| 2 | natural-person-whose-pharmacist-license-has-been-revoked;-or      |
| 3 | (e)whenthepharmacyisconductedin-violation-of                      |
| 1 | parts-1-through-3-of-this-chapteror                               |
| 5 | (f)when-the-pharmacy-is-in-violationof{section1}                  |
| 5 | and-until-compliance-is-attained.                                 |
| 7 | +3)Beforealicensecanberevoked;-the-holder-is                      |
| В | entitled-to-a-hearing-by-the-board;"                              |
| 9 | Section 3 Section-37-7-5107-MCA7-is-amended-to-read:              |
| D | #37-7-510;Penalty;(1)Inadditiontoallother                         |
| 1 | penaltiesprovidedbylaw7apersonwhoviolatesthe                      |
| 2 | provisionsof37-7-505,-37-7-506,-or-37-7-507,-or-{section          |
| 3 | 11 or-any-rule-promulgated-as-provided-in-37-7-503-shallbe        |
| 4 | fined-no-more-than-\$250-for-each-violation-                      |
| 5 | (2)The-penalty-imposed-under-this-part-may-be-remitted            |
| 6 | ormitigated-upon-such-terms-and-conditions-as-the-board-of        |
| 7 | pharmacy-considers-proper-andconsistentwiththepublic              |
| 8 | health-and-safety.  |
| 9 | (3)Uponconfirmation-of-a-written-complaint-regarding              |
| 0 | a-violation-of-faction-lfytheboardofpharmacyshall                 |
| 1 | eitherdemand-compliance-prior-to-the-issuance-of-a-license        |
| 2 | renewal-or-impose-the-civil-penalty-under-subsection-(4);         |
| 3 | (3) <u>(4)</u> A-civil-penalty-imposed-under-this-partbecomes     |
| 4 | dueandpayablewhenthepersonincurringthe-penalty                    |
| • |   |

```
notice-shall must be-sent-by-registered--or--certified--mail
      and-must-include:
          ta) -- reference-to-the-particular-sections-of-the-statute
 3
      or-rule;
          tb)--a-short-and-plain-statement-of-the-matters-asserted
      as-charged;
          fc;--a--statement--of--the--amount--of--the--penalty--or
 7
      penalties-imposed;-and
          td)--m--statement--of--the--person's--right-to-request-a
10
      hearingt
11
         t4)t5)--The-person-to-whom-the-notice-is--addressed--has
      20-days-from-the-date-of-the-notice-in-which-to-make-written
12
13
      application-for-a-hearing-before-the-board-of-pharmacy+*
14
         NEW SECTION. Section 2. Codification
                                                     instruction.
15
      [Section 1] is intended to be codified as an integral part
     of Title 37, chapter 7, and the provisions of Title 37,
16
17
      chapter 7, apply to [section 1].
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HB 355

-End-

| 1  | HOUSE BILL NO. 355   |
|----|--|
| 2  | INTRODUCED BY HARPER, WELDON, DAVIS, REAM, EWER,             |
| 3  | RUSSELL, SQUIRES, TOOLE, RYAN, WYATT, GALVIN,                |
| 4  | GERVAIS, GRADY, ECK, STRIZICH, COCCHIARELLA,                 |
| 5  | MENAHAN, WHALEN, DOHERTY, TUNBY, MCCAFFREE,                  |
| 6  | PAVLOVICH, PIPINICH, DOWELL, KADAS,                          |
| 7  | STOVALL, MILLS, COBB   |
| 8  |  |
| 9  | A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE BOARD OF   |
| 10 | PHARMACY TO ADOPT A RULE UNDER CERTAIN CIRCUMSTANCES; AND    |
| 11 | REQUIRING THE MONTHLY POSTING OF THE 20 TOP-SELLING          |
| 12 | PRESCRIPTION DRUGS BY HACH LICENSED PHARMACY PHARMACIES;     |
| 13 | PROVIDING-POR-A-VIOLATION-AND-PENALTY;-AND-AMENDING-SECTIONS |
| 14 | 37-7-321-AND-37-7-5187-MCA."                                 |
| 15 |  |
| 16 | WHEREAS, RAPIDLY RISING COSTS OF PRESCRIPTION DRUGS ARE      |
| 17 | ONE OF TODAY'S MOST SERIOUS PROBLEMS FACING PERSONS ON FIXED |
| 18 | OR LOWER INCOMES; AND  |
| 19 | WHEREAS, EVEN THOUGH PRESCRIPTION DRUG PRICE INCREASES       |
| 20 | ARE DICTATED BY PHARMACEUTICAL MANUFACTURERS, THERE ARE      |
| 21 | SOMETIMES SIGNIFICANT DIFFERENCES IN PRICE FOR THE SAME      |
| 22 | PRESCRIPTION DRUG AMONG RETAIL PHARMACIES; AND               |
| 23 | WHEREAS, IN SOME INSTANCES, THE ABILITY TO COMPARISON        |
| 24 | SHOP FOR PRESCRIPTION DRUGS CAN BE HELPFUL TO THE CONSUMER   |
| 25 | IN CHOOSING A PHARMACY TO PATRONIZE.                         |

| 1   | STATEMENT OF INTENT  |
|-----|--|
| 2   | A STATEMENT OF INTENT IS NECESSARY FOR THIS BILL BECAUS        |
| 3   | [SECTION 1] REQUIRES THE BOARD OF PHARMACY, UNDER CERTAI       |
| 4   | CIRCUMSTANCES, TO ADOPT A RULE REQUIRING THE LISTING O         |
| 5   | CERTAIN PRESCRIPTION DRUGS. THE LEGISLATURE INTENDS THAT TH    |
| 6   | BOARD OF PHARMACY MAKE EVERY EFFORT TO DEVISE, I               |
| 7   | CONSULTATION WITH SENIOR CITIZENS, OTHER CONSUME               |
| 8   | ORGANIZATIONS, AND RETAIL PHARMACISTS, A WORKABLE AN           |
| 9   | PRACTICAL SYSTEM FOR THE LISTING OF PRESCRIPTION DRU           |
| 10  | PRICES. THE LIST SHOULD BE BASED UPON STANDARD ASSUMPTION      |
| 11  | AS TO THE QUANTITY AND DOSAGE IN ORDER TO FACILITAT            |
| 1 2 | COMPARISON OF PRICES.  |
| 13  |  |
| 14  | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:      |
| 15  | NEW SECTION. Section 1. Posting of prescription dru            |
| 16  | prices violation: ADOPTION OF LIST BY RULE. (1)                |
| 17  | licensedpharmacy-engaged-in-the-sale-of-prescription-drug      |
| 18  | shall-post-a-listingofthe20top-sellingprescriptio              |
| 19  | drugs-by-brand-name-and-retail-price-and-by-generic-name-an    |
| 20  | retailpriceon-a-monthly-basisThe-posting-must-list-th          |
| 21  | brand-name-of-the-prescription-drugy-the-quantity-and-dosag    |
| 22  | of-the-prescription-drugy-theretailpriceofthebran              |
| 23  | namey the generic name of - the - prescription - drug and - th |
| 24  | retail-price-of-the-generic-drug-at-thesamequantityan          |
|     |  |

dosage-as-the-corresponding-brand-name-

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(2)—A—consumer—may—report—to—the—board—of—pharmacy—a violation—of—this—section—by—filing—a—written—complaint;——A violation—of—this—section—is—subject—to—the—provisions—of 37-7-321—and—37-7-510; IP THE BOARD OF PHARMACY FINDS AFTER A PUBLIC HEARING THAT THE INTERESTS OF CONSUMERS WILL BE FURTHERED BY ITS ACTION, THE BOARD SHALL ANNUALLY ADOPT BY RULE A LIST OF 20 PRESCRIPTION DRUGS PREQUENTLY PRESCRIBED FOR OUTPATIENT DISPENSING IN MONTANA. A LICENSED PHARMACY, OTHER THAN IN A HOSPITAL OR NURSING HOME, THAT SELLS PRESCRIPTION DRUGS SHALL MONTHLY POST ITS PRICES FOR THE DRUGS ON THE LIST ADOPTED BY THE BOARD. THE LIST MUST SHOW THE DRUGS BY BRAND NAME AND RETAIL PRICE AND BY GENERIC NAME AND RETAIL PRICE.

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Section 2.—Section 37-7-3217-NEA7-is-amended-to-read:-#37-7-3217--Certified-pharmacy-license----suspension--or
revocation 7--(i) -- The--board--shall-provide-for-the-original
certification-and-annual-renewal-by-the-department-of--every
pharmacy--doing--business--in-this-state7-On-presentation-of
evidence-satisfactory-to-the-board-and-on-application--on--a
form--prescribed--by--the--board--and--on--the-payment-of-an
original-certification-fee--prescribed--by--the--boardy--the
department--shall--issue--a--license--to--a--pharmacy--as--a
certified-pharmacy--Howevery-the-license-may-be-granted-only
to--pharmacies--operated-by-registered-pharmacists-qualified
under-this-chapter--The-annual-renewal-fee--for--s---pharmacy

```
1
      shall must be-set-by-the-board;-Any-default-in-the-payment
 2
      of-such the renewal-fee-after-the-date-the-same fee is--due
      shall--increase increases the-renewal-fee-as-prescribed-by
      the-board:-The-license-must-be-displayed--in--a--conspicuous
      place--in-the-pharmacy-for-which-it-is-issued-and-expires-on
      June-30-following-the-date-of-issuer-It-is--unlawful--for--a
      person--to--conduct--a--pharmacy--use-the-word-*pharmacy*-to
      identify--his the--person's business;--or--use--the---word
 9
      "pharmacy"--in--advertising-unless-a-license-has-been-issued
      and-is-in-effect:
10
11
          (2)--The-board-may-suspendy-revokey-or-refuse-to-renew-a
12
      pharmacy-license:
13
          tat--obtained-by-false-representation-or-fraud;
14
          tb)--when-the-pharmacy-for-which-the-license--is--issued
15
      is--kept--open--for--the--transaction--of-business-without-a
16
      pharmacist-in-charge:
17
          tc}--when-the-person-to-whom-the-license-is-granted--has
18
      been-convicted-of:
19
          ti; --a--violation--of-parts-1-through-3-of-this-chapter+
20
      OF
21
          tii)-a-violation-of-the-Federal-Poody-Brugy-and-Cosmetic
22
      Act-fritie-21, chapter-9,-U.S.C.);-chapter-2-or-7--of--Fitle
23
      377--chapter--9--or--10--of-Title-457-or-chapter-31-or-32-of
24
      Title-50y-MCAy-or--rules--adopted--under--such the act--er
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HB 355

25

chapters;

| 1  | (d)when-the-person-to-whom-the-license-is-granted-is-a           |
|----|--|
| 2  | natural-person-whose-pharmacist-license-has-been-revoked;-or     |
| 3  | te}whenthepharmacyisconductedin-violation-of                     |
| 4  | parts-1-through-3-of-this-chapter 7-or                           |
| 5  | (f)when-the-pharmacy-is-in-violationof{section1}                 |
| 6  | and-until-compliance-is-attained;                                |
| 7  | (3)Beforealicensecanberevokedy-the-holder-is                     |
| 8  | entitled-to-a-hearing-by-the-board.*                             |
| 9  | Section-3Section-37-7-5107-MCA7-is-amended-to-read:              |
| 10 | #37-7-518Penalty(1)Inadditiontoallother                          |
| 11 | penaltiesprovidedbylaw;apersonwhoviolatesthe                     |
| 12 | provisionsof37-7-5057-37-7-5067-or-37-7-507 <u>7-or-{section</u> |
| 13 | 11 or-any-rule-promutgated-as-provided-in-37-7-503-shallbe       |
| 14 | fined-no-more-than-9250-for-each-violation.                      |
| 15 | (2)The-penalty-imposed-under-this-part-may-be-remitted           |
| 16 | ormitigated-upon-such-terms-and-conditions-as-the-board-of       |
| 17 | pharmacy-considers-proper-andconsistentwiththepublic             |
| 18 | health-and-safety.   |
| 19 | (3)Uponconfirmation-of-a-written-complaint-regarding             |
| 20 | a-violation-of-fsection-lfytheboardofpharmacyshall               |
| 21 | eitherdemand-compliance-prior-to-the-issuance-of-a-license       |
| 22 | renewal-or-impose-the-civil-penalty-under-subsection-(4);        |
| 23 | (3)(4)A-civil-pensity-imposed-under-this-partbecomes             |
| 24 | dueandpayablewhenthepersonincurringthe-penalty                   |
| 25 | receives-a-notice-in-writing-from-the-board-of-pharmacy:-The     |

-5-

```
1
     notice-shall must be-sent-by-registered--or--certified--mail
2
      and-must-include:
3
         ta}--reference-to-the-particular-sections-of-the-statute
      or-rule:
         tb)--a-short-and-plain-statement-of-the-matters-asserted
6
     as-charged;
         tc)--a--statement--of--the--amount--of--the--penalty--or
7
8
     penaities-imposed:-and
9
         (d)--a--statement--of--the--person's--right-to-request-a
10
     hearing.
         t4) t5) -- The-person-to-whom-the-notice-is--addressed--has
11
     28-days-from-the-date-of-the-notice-in-which-to-make-written
12
     application-for-a-hearing-before-the-board-of-pharmacy:*
13
         NEW SECTION. Section 2. Codification
14
                                                    instruction.
     [Section 1] is intended to be codified as an integral part
15
     of Title 37, chapter 7, and the provisions of Title 37,
16
     chapter 7, apply to [section 1].
17
                                -End-
```