pharmacy technician trainees; pharmacists; compounding

State of Arizona Senate Fifty-fifth Legislature Second Regular Session 2022

### **CHAPTER 362**

### **SENATE BILL 1569**

AN ACT

AMENDING SECTIONS 32-1901, 32-1901.01, 32-1905, 32-1921.01, 32-1923.01, 32-1924, 32-1927, 32-1927.01, 32-1927.02, 32-1934, 32-1996 AND 36-2604, ARIZONA REVISED STATUTES; RELATING TO THE ARIZONA STATE BOARD OF PHARMACY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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Be it enacted by the Legislature of the State of Arizona:

Section 1 Section 32-1901 Arizona Revised Statutes is ame

Section 1. Section 32-1901, Arizona Revised Statutes, is amended to read:

#### 32-1901. <u>Definitions</u>

In this chapter, unless the context otherwise requires:

- 1. "Administer" means directly applying a controlled substance, prescription-only drug, dangerous drug or narcotic drug, whether by injection, inhalation, ingestion or any other means, to the body of a patient or research subject by a practitioner or by the practitioner's authorized agent or the patient or research subject at the direction of the practitioner.
- 2. "Advertisement" means all representations that are disseminated in any manner or by any means other than by labeling for the purpose of inducing, or that are likely to induce, directly or indirectly, the purchase of drugs, devices, poisons or hazardous substances.
- 3. "Advisory letter" means a nondisciplinary letter to notify a licensee or permittee that either:
- (a) While there is insufficient evidence to support disciplinary action, the board believes that continuation of the activities that led to the investigation may result in further board action against the licensee or permittee.
- (b) The violation is a minor or technical violation that is not of sufficient merit to warrant disciplinary action.
- (c) While the licensee or permittee has demonstrated substantial compliance through rehabilitation, remediation or reeducation that has mitigated the need for disciplinary action, the board believes that repeating the activities that led to the investigation may result in further board action against the licensee or permittee.
- 4. "Antiseptic", if a drug is represented as such on its label, means a representation that it is a germicide, except in the case of a drug purporting to be, or represented as, an antiseptic for inhibitory use as a wet dressing, ointment or dusting powder or other use that involves prolonged contact with the body.
- 5. "Authorized officers of the law" means legally empowered peace officers, compliance officers of the board of pharmacy and agents of the division of narcotics enforcement and criminal intelligence of the department of public safety.
- 6. "Automated prescription-dispensing kiosk" means a mechanical system that is operated as an extension of a pharmacy, that maintains all transaction information within the pharmacy operating system, that is separately permitted from the pharmacy and that performs operations that either:
- (a) Accept a prescription or refill order, store prepackaged or repackaged medications, label and dispense patient-specific prescriptions and provide counseling on new or refilled prescriptions.

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- (b) Dispense or deliver a prescription or refill that has been prepared by or on behalf of the pharmacy that oversees the automated prescription-dispensing kiosk.
- 7. "Board" or "board of pharmacy" means the Arizona state board of pharmacy.
- 8. "Certificate of composition" means a list of a product's ingredients.
- 9. "Certificate of free sale" means a document that authenticates a product that is generally and freely sold in domestic or international channels of trade.
  - 10. "Color additive" means a material that either:
- (a) Is any dye, pigment or other substance that is made by a process of synthesis or similar artifice or that is extracted, isolated or otherwise derived, with or without intermediate or final change of identity, from any vegetable, animal, mineral or other source.
- (b) If added or applied to a drug, or to the human body or any part of the human body, is capable of imparting color, except that color additive does not include any material that has been or may be exempted under the federal act. Color includes black, white and intermediate grays.
- 11. "Compounding" means preparing, mixing, assembling, packaging or labeling a drug by a pharmacist or an intern or pharmacy technician under the pharmacist's supervision, for the purpose of dispensing to a patient based on a valid prescription order. Compounding includes preparing drugs in anticipation of prescription orders prepared on routine, regularly observed prescribing patterns and preparing drugs as an incident to research, teaching or chemical analysis or for administration by a medical practitioner to the medical practitioner's patient and not for sale or dispensing. Compounding does not include preparing commercially available products from bulk compounds or preparing drugs for sale to pharmacies, practitioners or entities for the purpose of dispensing or distribution.
- 12. "Compressed medical gas distributor" means a person that holds a current permit issued by the board to distribute compressed medical gases to compressed medical gas suppliers and other entities that are registered, licensed or permitted to use, administer or distribute compressed medical gases.
- 13. "Compressed medical gases" means gases and liquid oxygen that a compressed medical gas distributor or manufacturer has labeled in compliance with federal law.
- 14. "Compressed medical gas order" means an order for compressed medical gases that is issued by a medical practitioner.

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- 15. "Compressed medical gas supplier" means a person that holds a current permit issued by the board to supply compressed medical gases pursuant to a compressed medical gas order and only to the consumer or the patient.
- 16. "Controlled substance" means a drug, substance or immediate precursor that is identified, defined or listed in title 36, chapter 27, article 2 or the rules adopted pursuant to title 36, chapter 27, article 2.
- 17. "Corrosive" means any substance that when it comes in contact with living tissue will cause destruction of the tissue by chemical action.
- 18. "Counterfeit drug" means a drug that, or the container or labeling of which, without authorization, bears the trademark, trade name or other identifying mark, imprint, number or device, or any likeness of these, of a manufacturer, distributor or dispenser other than the person that in fact manufactured, distributed or dispensed that drug.
- 19. "Dangerous drug" has the same meaning prescribed in section 13-3401.
  - 20. "Day" means a business day.
- 21. "Decree of censure" means an official action that is taken by the board and that may include a requirement for restitution of fees to a patient or consumer.
- 22. "Deliver" or "delivery" means the actual, constructive or attempted transfer from one person to another whether or not there is an agency relationship.
- 23. "Deputy director" means a pharmacist who is employed by the board and selected by the executive director to perform duties as prescribed by the executive director.
- 24. "Device", except as used in paragraph 18 of this section, section 32-1965, paragraph 4 and section 32-1967, subsection A, paragraph 15 and subsection C, means an instrument, apparatus or contrivance, including its components, parts and accessories, including all such items under the federal act, that is intended either:
- (a) For use in diagnosing, curing, mitigating, treating or preventing disease in the human body or other animals.
- (b) To affect the structure or any function of the human body or other animals.
- 25. "Director" means the director of the division of narcotics enforcement and criminal investigation of the department of public safety.
- 26. "Direct supervision of a pharmacist" means that the pharmacist is present. If relating to the sale of certain items, direct supervision of a pharmacist means that a pharmacist determines the legitimacy or advisability of a proposed purchase of those items.
- 27. "Dispense" means to deliver to an ultimate user or research subject by or pursuant to the lawful order of a practitioner, including

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prescribing, administering, packaging, labeling or compounding as necessary to prepare for that delivery.

- 28. "Dispenser" means a practitioner who dispenses.
- 29. "Distribute" means to deliver, other than by administering or dispensing.
  - 30. "Distributor" means a person who distributes.
  - 31. "Drug" means:
- (a) Articles that are recognized, or for which standards or specifications are prescribed, in the official compendium.
- (b) Articles that are intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in the human body or other animals.
- (c) Articles other than food that are intended to affect the structure or any function of the human body or other animals.
- (d) Articles that are intended for use as a component of any articles specified in subdivision (a), (b) or (c) of this paragraph but does not include devices or their components, parts or accessories.
- 32. "Drug enforcement administration" means the drug enforcement administration of the United States department of justice or its successor agency.
- 33. "Drug or device manufacturing" means producing, preparing, propagating or processing a drug or device, either directly or indirectly, by extraction from substances of natural origin or independently by means of chemical synthesis and includes any packaging or repackaging of substances or labeling or relabeling of its container and promoting and marketing the same. Drug or device manufacturing does not include compounding.
- 34. "Durable medical equipment" means technologically sophisticated medical equipment as prescribed by the board in rule that a patient or consumer may use in a home or residence and that may be a prescription-only device.
  - 35. "Durable medical equipment distributor":
- (a) Means a person that stores or distributes durable medical equipment other than to the patient or consumer.
- (b) Includes a virtual durable medical equipment distributor as prescribed in rule by the board.
  - 36. "Durable medical equipment supplier":
- (a) Means a person that sells, leases or supplies durable medical equipment to the patient or consumer.
- (b) Includes a virtual durable medical equipment supplier as prescribed in rule by the board.
- 37. "Economic poison" means any substance that alone, in chemical combination with or in formulation with one or more other substances is a pesticide within the meaning of the laws of this state or the federal

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 insecticide, fungicide and rodenticide act and that is used in producing, storing or transporting raw agricultural commodities.

- 38. "Enteral feeding" means nourishment that is provided by means of a tube inserted into the stomach or intestine.
- 39. "Established name", with respect to a drug or ingredient of a drug, means any of the following:
  - (a) The applicable official name.
- (b) If there is no such name and the drug or ingredient is an article recognized in an official compendium, the official title in an official compendium.
- (c) If neither subdivision (a) nor (b) of this paragraph applies, the common or usual name of the drug.
- 40. "Executive director" means the executive director of the board of pharmacy.
- 41. "Federal act" means the federal laws and regulations that pertain to drugs, devices, poisons and hazardous substances and that are official at the time any drug, device, poison or hazardous substance is affected by this chapter.
  - 42. "Full-service wholesale permittee":
- (a) Means a permittee who may distribute prescription-only drugs and devices, controlled substances and over-the-counter drugs and devices to pharmacies or other legal outlets from a place devoted in whole or in part to wholesaling these items.
  - (b) Includes a virtual wholesaler as defined in rule by the board.
- 43. "Good manufacturing practice" means a system for ensuring that products are consistently produced and controlled according to quality standards and covering all aspects of design, monitoring and control of manufacturing processes and facilities to ensure that products do not pose any risk to the consumer or public.
- 44. "Highly toxic" means any substance that falls within any of the following categories:
- (a) Produces death within fourteen days in half or more than half of a group of ten or more laboratory white rats each weighing between two hundred and three hundred grams, at a single dose of fifty milligrams or less per kilogram of body weight, when orally administered.
- (b) Produces death within fourteen days in half or more than half of a group of ten or more laboratory white rats each weighing between two hundred and three hundred grams, if inhaled continuously for a period of one hour or less at an atmospheric concentration of two hundred parts per million by volume or less of gas or vapor or two milligrams per liter by volume or less of mist or dust, provided the concentration is likely to be encountered by humans if the substance is used in any reasonably foreseeable manner.
- (c) Produces death within fourteen days in half or more than half of a group of ten or more rabbits tested in a dosage of two hundred

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 milligrams or less per kilogram of body weight, if administered by continuous contact with the bare skin for twenty-four hours or less. If the board finds that available data on human experience with any substance indicate results different from those obtained on animals in the dosages or concentrations prescribed in this paragraph, the human data shall take precedence.

- 45. "Hospital" means any institution for the care and treatment of the sick and injured that is approved and licensed as a hospital by the department of health services.
  - 46. "Intern" means a pharmacy intern.
- 47. "Internship" means the practical, experiential, hands-on training of a pharmacy intern under the supervision of a preceptor.
- 48. "Irritant" means any substance, other than a corrosive, that on immediate, prolonged or repeated contact with normal living tissue will induce a local inflammatory reaction.
- 49. "Jurisprudence examination" means a board-approved pharmacy law examination that is written and administered in cooperation with the national association of boards of pharmacy or another board-approved pharmacy law examination.
- 50. "Label" means a display of written, printed or graphic matter on the immediate container of any article that, unless easily legible through the outside wrapper or container, also appears on the outside wrapper or container of the article's retail package. For the purposes of this paragraph, the immediate container does not include package liners.
- 51. "Labeling" means all labels and other written, printed or graphic matter that either:
  - (a) Is on any article or any of its containers or wrappers.
  - (b) Accompanies that article.
- 52. "Letter of reprimand" means a disciplinary letter that is a public document issued by the board and that informs a licensee or permittee that the licensee's or permittee's conduct violates state or federal law and may require the board to monitor the licensee or permittee.
- 53. "Limited service pharmacy" means a pharmacy that is approved by the board to practice a limited segment of pharmacy as indicated by the permit issued by the board.
  - 54. "Manufacture" or "manufacturer":
- (a) Means every person who prepares, derives, produces, compounds, processes, packages or repackages or labels any drug in a place, other than a pharmacy, that is devoted to manufacturing the drug.
- (b) Includes a virtual manufacturer as defined in rule by the board.
  - 55. "Marijuana" has the same meaning prescribed in section 13-3401.
- 56. "Medical practitioner" means any medical doctor, doctor of osteopathic medicine, dentist, podiatrist, veterinarian or other person

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who is licensed and authorized by law to use and prescribe drugs and devices to treat sick and injured human beings or animals or to diagnose or prevent sickness in human beings or animals in this state or any state, territory or district of the United States.

- 57. "Medication order" means a written or verbal order from a medical practitioner or that person's authorized agent to administer a drug or device.
- 58. "Narcotic drug" has the same meaning prescribed in section 13-3401.
  - 59. "New drug" means either:
- (a) Any drug of which the composition is such that the drug is not generally recognized among experts qualified by scientific training and experience to evaluate the safety and effectiveness of drugs as safe and effective for use under the conditions prescribed, recommended or suggested in the labeling.
- (b) Any drug of which the composition is such that the drug, as a result of investigations to determine its safety and effectiveness for use under such conditions, has become so recognized, but that has not, other than in the investigations, been used to a material extent or for a material time under those conditions.
- 60. "Nonprescription drug" or "over-the-counter drug" means any nonnarcotic medicine or drug that may be sold without a prescription and that is prepackaged and labeled for use by the consumer in accordance with the requirements of the laws of this state and federal law. Nonprescription drug does not include:
- (a) A drug that is primarily advertised and promoted professionally to medical practitioners and pharmacists by manufacturers or primary distributors.
  - (b) A controlled substance.
  - (c) A drug that is required to bear a label that states "Rx only".
  - (d) A drug that is intended for human use by hypodermic injection.
  - 61. "Nonprescription drug wholesale permittee":
- (a) Means a permittee who may distribute only over-the-counter drugs and devices to pharmacies or other lawful outlets from a place devoted in whole or in part to wholesaling these items.
  - (b) Includes a virtual wholesaler as defined in rule by the board.
- 62. "Notice" means personal service or the mailing of a copy of the notice by certified mail and email addressed either to the person at the person's latest address of record in the board office or to the person and the person's attorney using the most recent information provided to the board in the board's licensing database.
- 63. "Nutritional supplementation" means vitamins, minerals and caloric supplementation. Nutritional supplementation does not include medication or drugs.

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- 64. "Official compendium" means the latest revision of the United States pharmacopeia and the national formulary or any current supplement.
- 65. "Other jurisdiction" means one of the other forty-nine states, the District of Columbia, the Commonwealth of Puerto Rico or a territory of the United States of America.
- 66. "Package" means a receptacle that is defined or described in the United States pharmacopeia and the national formulary as adopted by the board.
- 67. "Packaging" means the act or process of placing a drug item or device in a container for the purpose or intent of dispensing or distributing the item or device to another.
- 68. "Parenteral nutrition" means intravenous feeding that provides an individual with fluids and essential nutrients the individual needs while the individual is unable to receive adequate fluids or feedings by mouth or by enteral feeding.
- 69. "Person" means an individual, partnership, corporation and association, and their duly authorized agents.
- 70. "Pharmaceutical care" means the provision of drug therapy and other pharmaceutical patient care services.
- 71. "Pharmacist" means an individual who is currently licensed by the board to practice the profession of pharmacy in this state.
- 72. "Pharmacist in charge" means the pharmacist who is responsible to the board for a licensed establishment's compliance with the laws and administrative rules of this state and of the federal government pertaining to the practice of pharmacy, the manufacturing of drugs and the distribution of drugs and devices.
- 73. "Pharmacist licensure examination" means a board-approved examination that is written and administered in cooperation with the national association of boards of pharmacy or any other board-approved pharmacist licensure examination.
  - 74. "Pharmacy":
  - <del>(a)</del> means:
- (i) (a) Any place where drugs, devices, poisons or related hazardous substances are offered for sale at retail or where prescription orders are dispensed by a licensed pharmacist.
- (ii) (b) Any place that has displayed DISPLAYS on it or in it THE PLACE OR THAT DISPLAYS A SIGN ON THE PLACE the words "pharmaceutical chemist", "apothecary", "druggist", "pharmacy", "drugstore", "drugs" or "drug sundries", or any of these words or combinations COMBINATION of these words, or ANY words of similar import either MEANING in English or any other language, or that is advertised by any sign containing any of these words.
- (iii) (c) Any place where the characteristic symbols SYMBOL of pharmacy or the characteristic prescription sign "Rx" is exhibited and where drugs are stored or dispensed.

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(iv) (d) Any place or a portion of any building or OTHER structure OR PORTION OF A BUILDING OR OTHER STRUCTURE that is leased, used or controlled by the A permittee to conduct the business authorized by the board at the address for which SPECIFIED ON the permit was issued and that is enclosed and secured when a pharmacist is not in attendance TO THE PERMITTEE.

(v) (e) A remote dispensing site pharmacy.

(vi) (f) A remote hospital site HOSPITAL-SITE pharmacy, as defined by the board in rule, that operates under direct or remote supervision by a pharmacist pursuant to rules adopted by the board.

(b) (g) Includes A satellite pharmacy.

- 75. "Pharmacy intern" means a person who has all of the qualifications and experience prescribed in section 32-1923.
- 76. "Pharmacy technician" means a person who is licensed pursuant to this chapter.
- 77. "Pharmacy technician trainee" means a person who is licensed pursuant to this chapter.
- 78. "Poison" or "hazardous substance" includes any of the following if intended and suitable for household use or use by children:
- (a) Any substance that, according to standard works on medicine, pharmacology, pharmacognosy or toxicology, if applied to, introduced into or developed within the body in relatively small quantities by its inherent action uniformly produces serious bodily injury, disease or death.
  - (b) A toxic substance.
  - (c) A highly toxic substance.
  - (d) A corrosive substance.
  - (e) An irritant.
  - (f) A strong sensitizer.
- (g) A mixture of any of the substances described in this paragraph, if the substance or mixture of substances may cause substantial personal injury or substantial illness during or as a proximate result of any customary or reasonably foreseeable handling or use, including reasonably foreseeable ingestion by children.
- (h) A substance that is designated by the board to be a poison or hazardous substance. This subdivision does not apply to radioactive substances, economic poisons subject to the federal insecticide, fungicide and rodenticide act or the state pesticide act, foods, drugs and cosmetics subject to state laws or the federal act or substances intended for use as fuels when stored in containers and used in the heating, cooking or refrigeration system of a house. This subdivision applies to any substance or article that is not itself an economic poison within the meaning of the federal insecticide, fungicide and rodenticide act or the state pesticide act, but that is a poison or hazardous substance within

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 the meaning of this paragraph by reason of bearing or containing an economic poison or hazardous substance.

- 79. "Practice of pharmacy":
- (a) Means furnishing the following health care services as a medical professional:
- (i) Interpreting, evaluating and dispensing prescription orders in the patient's best interests.
- (ii) Compounding drugs pursuant to or in anticipation of a prescription order.
- (iii) Labeling drugs and devices in compliance with state and federal requirements.
- (iv) Participating in drug selection and drug utilization reviews, drug administration, drug or drug-related research and drug therapy monitoring or management.
- (v) Providing patient counseling necessary to provide pharmaceutical care.
- (vi) Properly and safely storing drugs and devices in anticipation of dispensing.
  - (vii) Maintaining required records of drugs and devices.
- (viii) Offering or performing acts, services, operations or transactions that are necessary to conduct, operate, manage and control a pharmacy.
- (ix) Initiating, monitoring and modifying drug therapy pursuant to a protocol-based drug therapy agreement with a provider as outlined in section 32-1970.
- (x) Initiating and administering immunizations or vaccines pursuant to section 32-1974.
- (b) Does not include initiating a prescription order for any medication, drug or other substance used to induce or cause a medication abortion as defined in section 36-2151.
- 80. "Practitioner" means any physician, dentist, veterinarian, scientific investigator or other person who is licensed, registered or otherwise permitted to distribute, dispense, conduct research with respect to or administer a controlled substance in the course of professional practice or research in this state, or any pharmacy, hospital or other institution that is licensed, registered or otherwise permitted to distribute, dispense, conduct research with respect to or administer a controlled substance in the course of professional practice or research in this state.
- 81. "Preceptor" means a pharmacist who is serving as the practical instructor of an intern and who complies with section 32-1923.
  - 82. "Precursor chemical" means a substance that is:
- (a) The principal compound that is commonly used or that is produced primarily for use and that is an immediate chemical intermediary used or likely to be used in the manufacture of a controlled substance,

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the control of which is necessary to prevent, curtail or limit manufacture.

- (b) Listed in section 13-3401, paragraph 26 or 27.
- 83. "Prescription" means either a prescription order or a prescription medication.
- 84. "Prescription medication" means any drug, including label and container according to context, that is dispensed pursuant to a prescription order.
  - 85. "Prescription-only device" includes:
- (a) Any device that is limited by the federal act to use under the supervision of a medical practitioner.
- (b) Any device required by the federal act to bear on its label essentially the legend "Rx only".
- 86. "Prescription-only drug" does not include a controlled substance but does include:
- (a) Any drug that because of its toxicity or other potentiality for harmful effect, the method of its use, or the collateral measures necessary to its use is not generally recognized among experts, qualified by scientific training and experience to evaluate its safety and efficacy, as safe for use except by or under the supervision of a medical practitioner.
- (b) Any drug that is limited by an approved new drug application under the federal act or section 32-1962 to use under the supervision of a medical practitioner.
- (c) Every potentially harmful drug, the labeling of which does not bear or contain full and adequate directions for use by the consumer.
- (d) Any drug, other than a controlled substance, that is required by the federal act to bear on its label the legend "Rx only".
  - 87. "Prescription order" means any of the following:
- (a) An order to a pharmacist for drugs or devices that is issued and signed by a duly licensed medical practitioner in the authorized course of the practitioner's professional practice.
- (b) An order that is transmitted to a pharmacist through word of mouth, telephone or other means of communication directed by that medical practitioner. Prescription orders received by word of mouth, telephone or other means of communication shall be maintained by the pharmacist pursuant to section 32-1964, and the record so made by the pharmacist constitutes the original prescription order to be dispensed by the pharmacist. This paragraph does not alter or affect laws of this state or any federal act requiring a written prescription order.
- (c) An order that is initiated by a pharmacist pursuant to a protocol-based drug therapy agreement with a provider as outlined in section 32-1970, or immunizations or vaccines administered by a pharmacist pursuant to section 32-1974.

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- (d) A diet order or an order for enteral feeding, nutritional supplementation or parenteral nutrition that is initiated by a registered dietitian or other qualified nutrition professional in a hospital pursuant to section 36-416.
  - 88. "Professionally incompetent" means:
- (a) Incompetence based on a variety of factors, including a lack of sufficient pharmaceutical knowledge or skills or experience to a degree likely to endanger the health of patients.
- (b) When considered with other indications of professional incompetence, a pharmacist or pharmacy intern who fails to obtain a passing score on a board-approved pharmacist licensure examination or a pharmacy technician or pharmacy technician trainee who fails to obtain a passing score on a board-approved pharmacy technician licensure examination.
- 89. "Radioactive substance" means a substance that emits ionizing radiation.
- 90. "Remote dispensing site pharmacy" means a pharmacy where a pharmacy technician or pharmacy intern prepares, compounds or dispenses prescription medications under remote supervision by a pharmacist.
- 91. "REMOTE HOSPITAL-SITE PHARMACY" MEANS A PHARMACY LOCATED IN A SATELLITE FACILITY THAT OPERATES UNDER THE LICENSE ISSUED BY THE DEPARTMENT OF HEALTH SERVICES TO THE HOSPITAL OF WHICH IT IS A SATELLITE.
- 91. 92. "Remote supervision by a pharmacist" means that a pharmacist directs and controls the actions of pharmacy technicians and pharmacy interns through the use of audio and visual technology.
- 92. 93. "Revocation" or "revoke" means the official cancellation of a license, permit, registration or other approval authorized by the board for a period of two years unless otherwise specified by the board. A request or new application for reinstatement may be presented to the board for review before the conclusion of the specified revocation period upon review of the executive director.
- 93. 94. "Safely engage in employment duties" means that a permittee or the permittee's employee is able to safely engage in employment duties related to the manufacture, sale, distribution or dispensing of drugs, devices, poisons, hazardous substances, controlled substances or precursor chemicals.
- 95. "SATELLITE FACILITY" HAS THE SAME MEANING PRESCRIBED IN SECTION 36-422.
- 94. 96. "Satellite pharmacy" means a work area located within a hospital or on a hospital campus that is not separated by other commercial property or residential property, that is under the direction of a pharmacist, that is a remote extension of a centrally licensed hospital pharmacy, that is owned by and dependent on the centrally licensed hospital pharmacy for administrative control, staffing and drug procurement and that is not required to be separately permitted.

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95. 97. "Symbol" means the characteristic symbols that have historically identified pharmacy, including show globes and mortar and pestle, and the sign "Rx".

96. 98. "Third-party logistics provider" means an entity that provides or coordinates warehousing or other logistics services for the following items, but that does not take ownership of the items, and that distributes those items as directed by a manufacturer, wholesaler, dispenser or durable medical equipment supplier that is permitted by the board:

- (a) Narcotic drugs or other controlled substances.
- (b) Dangerous drugs as defined in section 13-3401.
- (c) Prescription-only drugs and devices.
- (d) Nonprescription drugs and devices.
- (e) Precursor chemicals.
- (f) Regulated chemicals as defined in section 13-3401.

97. 99. "Toxic substance" means a substance, other than a radioactive substance, that has the capacity to produce injury or illness in humans through ingestion, inhalation or absorption through any body surface.

98. 100. "Ultimate user" means a person who lawfully possesses a drug or controlled substance for that person's own use, for the use of a member of that person's household or for administering to an animal owned by that person or by a member of that person's household.

Sec. 2. Section 32-1901.01, Arizona Revised Statutes, is amended to read:

### 32-1901.01. <u>Definition of unethical and unprofessional</u> conduct; permittees; licensees

A. In this chapter, unless the context otherwise requires, for the purposes of disciplining a permittee, "unethical conduct" means the following, whether occurring in this state or elsewhere:

- 1. Committing a felony, whether or not involving moral turpitude, or a misdemeanor involving moral turpitude or any drug-related offense. In either case, conviction by a court of competent jurisdiction or a plea of no contest is conclusive evidence of the commission.
- 2. Committing an act that is substantially related to the qualifications, functions or duties of a permittee and that demonstrates either a lack of good moral character or an actual or potential unfitness to hold a permit in light of the public's safety.
  - 3. Working under the influence of alcohol or other drugs.
- 4. Using alcohol or other drugs to such a degree as to render the permittee unfit to perform the permittee's employment duties.
- 5. Violating a federal or state law or administrative rule relating to the manufacture, sale or distribution of drugs, devices, poisons, hazardous substances or precursor chemicals.

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- 6. Violating a federal or state law or administrative rule relating to marijuana, prescription-only drugs, narcotics, dangerous drugs, controlled substances or precursor chemicals.
- 7. Violating state or federal reporting or recordkeeping requirements on transactions relating to precursor chemicals.
- 8. Failing to report in writing to the board any evidence that a pharmacist or pharmacy intern is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable safely to engage in the practice of pharmacy.
- 9. Failing to report in writing to the board any evidence that a pharmacy technician or pharmacy technician trainee is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable safely to engage in the permissible activities of a pharmacy technician or pharmacy technician trainee.
- 10. Failing to report in writing to the board any evidence that appears to show that a permittee or permittee's employee is or may be guilty of unethical conduct, is or may be mentally or physically unable safely to engage in employment duties related to manufacturing, selling, distributing or dispensing drugs, devices, poisons, hazardous substances, controlled substances or precursor chemicals or is or may be violating this chapter or a rule adopted under this chapter.
- 11. 8. Intending to sell, transfer or distribute, or to offer for sale, transfer or distribution, or selling, transferring, distributing or dispensing or offering for sale, transfer or distribution an imitation controlled substance, imitation over-the-counter drug or imitation prescription-only drug as defined in section 13-3451.
- 12. 9. Having the permittee's permit to manufacture, sell, distribute or dispense drugs, devices, poisons, hazardous substances or precursor chemicals denied or disciplined in another jurisdiction.
- $\frac{13.}{10.}$  10. Committing an offense in another jurisdiction that if committed in this state would be grounds for discipline.
- $\frac{14.}{11.}$  Obtaining or attempting to obtain a permit or a permit renewal by fraud, by misrepresentation or by knowingly taking advantage of the mistake of another person or an agency.
- 15. 12. Wilfully making a false report or record that is required by this chapter, that is required by federal or state laws pertaining to drugs, devices, poisons, hazardous substances or precursor chemicals or that is required to pay for drugs, devices, poisons or hazardous substances or precursor chemicals or for services pertaining to such drugs or substances.
- 16. 13. Knowingly filing with the board any application, renewal or other document that contains false or misleading information.

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  $\frac{17.}{14.}$  Providing false or misleading information or omitting material information in any communication to the board or the board's employees or agents.

 $\frac{18.}{15.}$  Violating or attempting to violate, directly or indirectly, or assisting in or abetting the violation of, or conspiring to violate, this chapter.

 $\frac{19.}{16.}$  16. Violating a formal order, terms of probation, a consent agreement or a stipulation issued or entered into by the board or its executive director pursuant to this chapter.

 $\frac{20.}{10.}$  17. Failing to comply with a board subpoena or failing to comply in a timely manner with a board subpoena without providing any explanation to the board for not complying with the subpoena.

21. 18. Failing to provide the board or its employees or agents or an authorized federal or state official conducting a site investigation, inspection or audit with access to any place for which a permit has been issued or for which an application for a permit has been submitted.

 $\frac{22.}{19.}$  19. Failing to notify the board of a change of ownership, management or pharmacist in charge.

 $\frac{23}{10}$ . Failing to promptly produce on the request of the official conducting a site investigation, inspection or audit any book, record or document.

24. 21. Overruling or attempting to overrule a pharmacist in matters of pharmacy ethics or interpreting laws pertaining to the practice of pharmacy or the distribution of drugs or devices.

 $\frac{25.}{}$  22. Distributing premiums or rebates of any kind in connection with the sale of prescription medication, other than to the prescription medication recipient.

 $\frac{26.}{100}$  23. Failing to maintain effective controls against the diversion of controlled substances or precursor chemicals to unauthorized persons or entities.

27. 24. Fraudulently claiming to have performed a service.

28. 25. Fraudulently charging a fee for a service.

29. 26. Advertising drugs or devices, or services pertaining to drugs or devices, in a manner that is untrue or misleading in any particular, and that is known, or that by the exercise of reasonable care should be known, to be untrue or misleading.

B. In this chapter, unless the context otherwise requires, for the purposes of disciplining a pharmacist or pharmacy intern, "unprofessional conduct" means the following, whether occurring in this state or elsewhere:

- 1. Using alcohol or other drugs to such a degree as to render the licensee unfit to practice the profession of pharmacy.
- 2. Violating any federal or state law, rule or regulation relating to the manufacture or distribution of drugs and devices or the practice of pharmacy.

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- 3. Dispensing a different drug or brand of drug in place of the drug or brand of drug ordered or prescribed without the express permission in each case of the orderer, or in the case of a prescription order, the medical practitioner. The conduct prohibited by this paragraph does not apply to substitutions authorized pursuant to section 32-1963.01.
- 4. Obtaining or attempting to obtain a license to practice pharmacy or a license renewal by fraud, by misrepresentation or by knowingly taking advantage of the mistake of another person or an agency.
- 5. Having the licensee's license to practice pharmacy denied or disciplined in another jurisdiction.
- 6. Claiming professional superiority in compounding or dispensing prescription orders.
- 7. Failing to comply with the mandatory continuing professional pharmacy education requirements of sections 32-1936 and 32-1937 and rules adopted by the board.
- 8. Committing a felony, whether or not involving moral turpitude, or a misdemeanor involving moral turpitude or any drug-related offense. In either case, conviction by a court of competent jurisdiction or a plea of no contest is conclusive evidence of the commission.
  - 9. Working under the influence of alcohol or other drugs.
- 10. Violating a federal or state law or administrative rule relating to marijuana, prescription-only drugs, narcotics, dangerous drugs, controlled substances or precursor chemicals when determined by the board or by conviction in a federal or state court.
- 11. Knowingly dispensing a drug without a valid prescription order as required pursuant to section 32-1968, subsection A.
- 12. Knowingly dispensing a drug on a prescription order that was issued in the course of the conduct of business of dispensing drugs pursuant to diagnosis by mail or the internet, unless the order was any of the following:
- (a) Made by a physician who provides temporary patient supervision on behalf of the patient's regular treating licensed health care professional or provides a consultation requested by the patient's regular treating licensed health care professional.
- (b) Made in an emergency medical situation as defined in section 41-1831.
  - (c) Written to prepare a patient for a medical examination.
- (d) Written or the prescription medications were issued for use by a county or tribal public health department for immunization programs or emergency treatment or in response to an infectious disease investigation, a public health emergency, an infectious disease outbreak or an act of bioterrorism. For the purposes of this subdivision, "bioterrorism" has the same meaning prescribed in section 36-781.
- (e) Written or antimicrobials were dispensed by the prescribing or dispensing physician to a contact as defined in section 36-661 who is

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believed to have had significant exposure risk as defined in section 36-661 with another person who has been diagnosed with a communicable disease as defined in section 36-661.

- (f) Written or the prescription medications were issued for administering immunizations or vaccines listed in the United States centers for disease control and prevention's recommended immunization schedule to a household member of a patient.
- (g) For epinephrine auto-injectors that are written or dispensed for a school district or charter school and that are to be stocked for emergency use pursuant to section 15-157 or for an authorized entity to be stocked pursuant to section 36-2226.01.
- (h) Written by a licensee through a telehealth program that is covered by the policies and procedures adopted by the administrator of a hospital or outpatient treatment center.
- (i) Written pursuant to a physical or mental health status examination that was conducted through telehealth as defined in section 36-3601 and consistent with federal law.
- (j) For naloxone hydrochloride or any other opioid antagonist approved by the United States food and drug administration and written or dispensed for use pursuant to section 36-2228 or 36-2266.
- 13. Failing to report in writing to the board any evidence that a pharmacist or pharmacy intern is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable to safely engage in the practice of pharmacy.
- 14. Failing to report in writing to the board any evidence that a pharmacy technician or pharmacy technician trainee is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable to safely engage in the permissible activities of a pharmacy technician or pharmacy technician trainee.
- 15. Failing to report in writing to the board any evidence that a permittee or a permittee's employee is or may be guilty of unethical conduct or is or may be violating this chapter or a rule adopted under this chapter.
- 16. Committing an offense in another jurisdiction that if committed in this state would be grounds for discipline.
- 17. Knowingly filing with the board any application, renewal or other document that contains false or misleading information.
- 18. Providing false or misleading information or omitting material information in any communication to the board or the board's employees or agents.
- 19. Violating or attempting to violate, directly or indirectly, or assisting in or abetting in the violation of, or conspiring to violate, this chapter.

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- 20. Violating a formal order, terms of probation, a consent agreement or a stipulation issued or entered into by the board or its executive director pursuant to this chapter.
- 21. Failing to comply with a board subpoena or failing to comply in a timely manner with a board subpoena without providing any explanation to the board for not complying with the subpoena.
- 22. Refusing without just cause to allow authorized agents of the board to examine documents that are required to be kept pursuant to this chapter or title 36.
- 23. Participating in an arrangement or agreement to allow a prescription order or a prescription medication to be left at, picked up from, accepted by or delivered to a place that is not licensed as a pharmacy. This paragraph does not prohibit a pharmacist or a pharmacy from using an employee or a common carrier to pick up prescription orders at or deliver prescription medications to the office or home of a medical practitioner, the residence of a patient or a patient's hospital.
- 24. Paying rebates or entering into an agreement for paying rebates to a medical practitioner or any other person in the health care field.
- 25. Providing or causing to be provided to a medical practitioner prescription order blanks or forms bearing the pharmacist's or pharmacy's name, address or other means of identification.
  - 26. Fraudulently claiming to have performed a professional service.
  - 27. Fraudulently charging a fee for a professional service.
- 28. Failing to report a change of the licensee's home address, contact information, employer or employer's address as required by section 32-1926.
- 29. Failing to report a change in the licensee's residency status as required by section 32-1926.01.
- 30. Failing to maintain effective controls against the diversion of controlled substances or precursor chemicals to unauthorized persons or entities.
- C. In this chapter, unless the context otherwise requires, for the purposes of disciplining a pharmacy technician or pharmacy technician trainee, "unprofessional conduct" means the following, whether occurring in this state or elsewhere:
- 1. Using alcohol or other drugs to such a degree as to render the licensee unfit to perform the licensee's employment duties.
- 2. Violating a federal or state law or administrative rule relating to the manufacture or distribution of drugs or devices.
- 3. Obtaining or attempting to obtain a pharmacy technician or pharmacy technician trainee license or a pharmacy technician license renewal by fraud, by misrepresentation or by knowingly taking advantage of the mistake of another person or an agency.
- 4. Having the licensee's license to practice as a pharmacy technician denied or disciplined in another jurisdiction.

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- 5. Failing to comply with the mandatory continuing professional education requirements of section 32-1925, subsection H and rules adopted by the board.
- 6. Committing a felony, whether or not involving moral turpitude, or a misdemeanor involving moral turpitude or any drug-related offense. In either case, conviction by a court of competent jurisdiction or a plea of no contest is conclusive evidence of the commission.
  - 7. Working under the influence of alcohol or other drugs.
- 8. Violating a federal or state law or administrative rule relating to marijuana, prescription-only drugs, narcotics, dangerous drugs, controlled substances or precursor chemicals when determined by the board or by conviction in a federal or state court.
- 9. Failing to report in writing to the board any evidence that a pharmacist or pharmacy intern is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable to safely engage in the practice of pharmacy.
- 10. Failing to report in writing to the board any evidence that a pharmacy technician or pharmacy technician trainee is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable to safely engage in the permissible activities of a pharmacy technician or pharmacy technician trainee.
- 11. Failing to report in writing to the board any evidence that a permittee or a permittee's employee is or may be guilty of unethical conduct or is or may be violating this chapter or a rule adopted under this chapter.
- 12. Committing an offense in another jurisdiction that if committed in this state would be grounds for discipline.
- 13. Knowingly filing with the board any application, renewal or other document that contains false or misleading information.
- 14. Providing false or misleading information or omitting material information in any communication to the board or the board's employees or agents.
- 15. Violating or attempting to violate, directly or indirectly, or assisting in or abetting in the violation of, or conspiring to violate, this chapter.
- 16. Violating a formal order, terms of probation, a consent agreement or a stipulation issued or entered into by the board or its executive director pursuant to this chapter.
- 17. Failing to comply with a board subpoena or failing to comply in a timely manner with a board subpoena without providing any explanation to the board for not complying with the subpoena.
- 18. Failing to report a change of the licensee's home address, contact information, employer or employer's address as required by section 32-1926.

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19. Failing to report a change in the licensee's residency status as required by section 32-1926.01.

Sec. 3. Section 32-1905, Arizona Revised Statutes, is amended to read:

#### 32-1905. Meetings; time and place; annual report

- A. The board of pharmacy shall hold meetings to consider license, and permit AND REGISTRATION applications and to transact other business legally coming before it. The board must hold at least four meetings in each fiscal year.
- B. The board shall designate the time and place of its meetings at least thirty days before each meeting.
- C. The board shall submit an annual written report to the governor and to the Arizona pharmacy association that includes the names of all pharmacists, interns, pharmacy technicians, pharmacy technician trainees, pharmacies, wholesalers, third-party logistics providers and manufacturers authorized to practice under this chapter and a record of licenses, permits, REGISTRATIONS and renewals.
- Sec. 4. Section 32-1921.01, Arizona Revised Statutes, is amended to read:

### 32-1921.01. <u>Disclosures on applications; licensees; registrants; applicability</u>

- A. A pharmacist, pharmacy intern, pharmacy technician and pharmacy technician trainee are not required to disclose the following information when filing an application under this chapter:
- 2. A single misdemeanor conviction that occurred more than ten years before the date of application.
- 3. A single felony conviction that was reduced to a misdemeanor conviction or that was dismissed, expunged or set aside more than ten years before the date of application.
- B. An applicant or A licensee OR REGISTRANT who has had more than one of any charge or conviction specified in subsection A of this section shall disclose that information to the board.
- C. Subsection A of this section applies to current licensees  $\ensuremath{\mathsf{AND}}$  REGISTRANTS.
- Sec. 5. Section 32-1923.01, Arizona Revised Statutes, is amended to read:

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32-1923.01. Pharmacy technicians; pharmacy technician trainees; qualifications; remote dispensing site pharmacies
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- A. An applicant for licensure as a pharmacy technician must:
- 1. Be of good moral character.
- 2. Be at least eighteen years of age.

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- 3. Have a high school diploma or the equivalent of a high school diploma.
  - 4. Complete a training program prescribed by board rules.
  - 5. Pass a board-approved pharmacy technician examination.
- B. An applicant for licensure TO REGISTER as a pharmacy technician trainee must:
  - 1. Be of good moral character.
  - 2. 1. Be at least eighteen years of age.
- 3. Have a high school diploma or the equivalent of a high school diploma.
  - 2. REGISTER WITH THE BOARD VIA AN ONLINE APPLICATION.
- C. Before a pharmacy technician prepares, compounds or dispenses prescription medications at a remote dispensing site pharmacy, the pharmacy technician shall:
- 1. Complete, in addition to any other board-approved mandatory continuing professional education requirements, a two-hour continuing education program on remote dispensing site pharmacy practices provided by an approved provider.
- 2. Have at least one thousand hours of experience working as a pharmacy technician in an outpatient pharmacy setting under the direct supervision of a pharmacist.
- D. A pharmacy technician working at a remote dispensing site pharmacy:
- 1. Shall maintain an active, nationally recognized pharmacy technician certification approved by the board.
- 2. May not perform extemporaneous sterile or nonsterile compounding but may prepare commercially available medications for dispensing, including the reconstitution of orally administered powder antibiotics.
- Sec. 6. Section 32-1924, Arizona Revised Statutes, is amended to read:

## 32-1924. <u>Licenses: fees: rules: signatures: registration:</u> online profiles

- A. An applicant for licensure as a pharmacist shall pay the board an initial licensure fee of not more than \$500.
- B. An applicant for licensure as a pharmacist, intern or pharmacy technician shall pay a fee prescribed by the board that does not exceed \$50 for issuance of a wall license. On payment of a fee of not more than \$50, the board may issue a replacement wall license to a licensee who requests a replacement because the original was damaged or destroyed, because of a change of name or for other good cause as prescribed by the board.
- C. An applicant for licensure as an intern shall pay a fee of not more than \$75. A license issued pursuant to this subsection expires five years after it is issued. The board shall adopt rules to prescribe the requirements for the renewal of a license that expires before the pharmacy

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intern completes the education or training required for licensure as a pharmacist.

- D. An applicant for reciprocal licensure as a pharmacist shall pay a fee of not more than \$500 for the application and expense of investigating the applicant's pharmaceutical standing in the jurisdiction in which the applicant is licensed.
- E. All pharmacist licenses shall bear the signatures of the executive director and a majority of the members of the board.
- F. An applicant for licensure TO REGISTER as a pharmacy technician trainee shall submit with the application a fee prescribed by the board that does not exceed \$100 \$25. A license issued pursuant to this subsection expires PHARMACY TECHNICIAN TRAINEE MAY APPLY FOR LICENSURE AS A PHARMACY TECHNICIAN WITHIN thirty-six months after it is issued REGISTERING AS A PHARMACY TECHNICIAN TRAINEE. A pharmacy technician trainee license REGISTRATION may not be renewed or reissued.
- G. An applicant for licensure as a pharmacy technician shall submit with the application a fee prescribed by the board that does not exceed \$100.
- H. A licensee OR REGISTRANT shall create an online profile using the board's licensing software.
- Sec. 7. Section 32-1927, Arizona Revised Statutes, is amended to read:

#### 32-1927. Pharmacists: pharmacy interns: disciplinary action

- A. A pharmacist or pharmacy intern is subject to disciplinary action by the board for any of the following:
- 1. The board determines that the licensee has committed an act of unprofessional conduct.
- 2. The licensee is found by psychiatric examination to be mentally unfit to practice the profession of pharmacy.
- 3. The licensee is found to be physically or mentally incapacitated to such a degree as to render the licensee unfit to practice the profession of pharmacy.
- 4. The licensee is found to be professionally incompetent to such a degree as to render the licensee unfit to practice the profession of pharmacy.
  - 5. The license was issued through error.
- B. A pharmacist or pharmacy intern who after a formal hearing is found by the board to be guilty of unprofessional conduct, to be mentally or physically unable safely to engage in the practice of pharmacy or to be professionally incompetent is subject to any one or combination of the following:
- 1. A civil penalty of not to exceed one thousand dollars MORE THAN \$1,000 for each violation of this chapter or a rule adopted under this chapter.
  - 2. A letter of reprimand.

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- 3. A decree of censure.
- 4. Completion of board-designated continuing pharmaceutical education courses.
  - 5. Probation.
  - 6. Suspension or revocation of the license.
- C. The board may charge the costs of formal hearings to the licensee whom it finds to be in violation of this chapter or a rule adopted under this chapter.
- D. The board on its own motion may investigate any evidence that appears to show that a pharmacist or pharmacy intern is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable safely to engage in the practice of pharmacy. Any person may, and a licensee or permittee of the board must, report to the board any information that appears to show that a pharmacist or pharmacy intern is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable safely to engage in the practice of pharmacy. The board or the executive director shall notify the pharmacist or pharmacy intern as to the content of the complaint as soon as reasonable. Any person or entity that reports or provides information to the board in good faith is not subject to an action for civil damages. It is an unprofessional conduct for any pharmacist or pharmacy intern to fail to report as required by this subsection.
- E. The pharmacy permittee or pharmacist in charge of a pharmacy located in this state must inform the board if a pharmacist or pharmacy intern employed by the pharmacy is terminated because of actions by the pharmacist or pharmacy intern that appear to show that the pharmacist or pharmacy intern is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable safely to engage in the practice of pharmacy, along with a general statement of the reasons that led the pharmacy to take the action. The pharmacy permittee or pharmacist in charge of a pharmacy located in this state must inform the board if a pharmacist or pharmacy intern under investigation resigns or if a pharmacist or pharmacy intern resigns in lieu of disciplinary action by the pharmacy. Notification must include a general statement of the reasons for the resignation. A person who reports information in good faith pursuant to this subsection is not subject to civil liability.
- F. The board or, if delegated by the board, the executive director shall require any combination of mental, physical, psychological, psychiatric or medical competency examinations or pharmacist licensure examinations and conduct necessary investigations, including investigational interviews between representatives of the board and the pharmacist or pharmacy intern, to fully inform itself about any information filed with the board under this section. These examinations

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 may also include biological fluid testing. The board may require the pharmacist or pharmacy intern, at that person's expense, to undergo assessment by a board-approved substance abuse treatment and rehabilitation program.

- G. If after completing its investigation the board finds that the information provided pursuant to this section is not of sufficient seriousness to merit disciplinary action against the license of the pharmacist or pharmacy intern, the board may take any of the following actions:
  - 1. Dismiss if the complaint is without merit.
- 2. File an advisory letter. The licensee may file a written response with the board within thirty days after receiving the advisory letter.
- 3. Require the licensee to complete board-designated continuing pharmaceutical education courses.
- H. The board shall not disclose the name of the person who provides information regarding a licensee's drug or alcohol impairment or the name of the person who files a complaint if that person requests anonymity.
- I. If after completing its investigation the board believes that the information is or may be true, it may request a conference with the pharmacist or pharmacy intern. If the pharmacist or pharmacy intern refuses the invitation for a conference and the investigation indicates that grounds may exist for revocation or suspension of a license, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil penalty, the board shall issue a formal notice that a hearing be held pursuant to title 41, chapter 6, article 10.
- J. If through information provided pursuant to this section or by other means the board finds that the protection of the public health, welfare and safety requires emergency action against the license of a pharmacist or pharmacy intern, the board may restrict a license or order a summary suspension of a license pending proceedings for revocation or other action. If the board acts pursuant to this subsection, the board shall also serve the licensee with a written notice of complaint and formal hearing that sets forth the charges and licensee's right to a formal hearing before the board or an administrative law judge on the charges within sixty days pursuant to title 41, chapter 6, article 10.
- K. If after completing the conference the board finds the information provided pursuant to this section is not of sufficient seriousness to merit revocation or suspension of a license, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil penalty, it may take the following actions:
  - 1. Dismiss if the information is without merit.
- 2. File an advisory letter. The licensee may file a written response with the board within thirty days after the licensee receives the advisory letter.

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- 3. Require the licensee to complete board-designated continuing pharmaceutical education courses.
- L. If during a conference the board finds that the information provided pursuant to this section indicates that grounds may exist for revocation or suspension of a license, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil penalty, it may take the following actions:
  - 1. Dismiss if the information is without merit.
- 2. File an advisory letter. The licensee may file a written response with the board within thirty days after the licensee receives the advisory letter.
- 3. Require the licensee to complete board-designated continuing pharmaceutical education courses.
- 4. Enter into an agreement with the licensee to discipline the licensee, restrict the licensee's practice or professional activities or rehabilitate, retrain or assess the licensee in order to protect the public and ensure the licensee's ability to safely engage in the practice of pharmacy. The agreement may include at least the following:
  - (a) Issuance of a letter of reprimand.
  - (b) Issuance of a decree of censure.
- (c) Practice or professional restrictions, such as not acting as a pharmacist in charge or pharmacy intern preceptor or working with another pharmacist.
  - (d) Rehabilitative, retraining or assessment programs, including:
  - (i) Board-approved community service.
- (ii) Successful completion of additional board-designated continuing pharmaceutical education courses.
- (iii) Successful passage of board-approved pharmacist licensure examinations.
- (iv) Successful completion of a board-approved substance abuse treatment and rehabilitation program at the licensee's own expense.
- (e) A civil penalty OF not to exceed one thousand dollars MORE THAN \$1,000 for each violation of this chapter or a rule adopted under this chapter.
- (f) A period and terms of probation best adapted to protect the public health and safety and rehabilitate or educate the licensee concerned. Probation may include temporary suspension and any or all of the disciplinary actions, practice or professional restrictions, rehabilitative, retraining or assessment programs listed in this section or any other program agreed to by the board and the licensee.
- M. If the board finds that the information provided pursuant to this section and additional information provided during the conference warrants revocation or suspension of a license, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil

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 penalty, it shall initiate formal proceedings pursuant to title 41, chapter 6, article 10.

- N. If the licensee wishes to be present at the formal hearing in person or by representation, or both, the licensee must file with the board an answer to the charges in the notice of hearing. The answer must be in writing, be verified under oath and be filed within thirty days after service of the notice of hearing. Failure to answer the board's notice of hearing is deemed an admission of the charges in the notice of hearing.
  - 0. An advisory letter is a nondisciplinary public document.
- P. If the board during an investigation determines that a criminal violation might have occurred, it shall disclose its investigative evidence and information to the appropriate criminal justice agency for its consideration.
- Q. In determining the appropriate disciplinary action under this section, the board shall consider all previous nondisciplinary and disciplinary actions against a licensee.
- R. The board may deny a license to an applicant for the grounds prescribed in subsection A of this section.
- S. A person who is licensed pursuant to this chapter or by any other jurisdiction and who has a license revoked or suspended shall not obtain a license as a pharmacy intern, OR pharmacy technician or A REGISTRATION AS A pharmacy technician trainee or work as a pharmacy intern, pharmacy technician or pharmacy technician trainee without the approval of the board or its designee.
- Sec. 8. Section 32-1927.01, Arizona Revised Statutes, is amended to read:

# 32-1927.01. <u>Pharmacy technicians: pharmacy technician</u> trainees; disciplinary action

- A. A pharmacy technician or pharmacy technician trainee is subject to disciplinary action by the board for any of the following:
- 1. The board determines that the licensee OR REGISTRANT has committed an act of unprofessional conduct.
- 2. The licensee OR REGISTRANT is found by psychiatric examination to be mentally unfit to safely perform the licensee's OR REGISTRANT'S employment duties.
- 3. The licensee OR REGISTRANT is found to be physically or mentally incapacitated to such a degree as to render the licensee OR REGISTRANT unfit to safely perform the licensee's OR REGISTRANT'S employment duties.
- 4. The licensee OR REGISTRANT is found to be professionally incompetent to such a degree as to render the licensee OR REGISTRANT unfit to safely perform the licensee's OR REGISTRANT'S employment duties.
  - 5. The license OR REGISTRATION was issued through error.
- B. A pharmacy technician or pharmacy technician trainee who after a formal hearing is found by the board to be guilty of unprofessional

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conduct, to be mentally or physically unable safely to engage in the practice of pharmacy or to be professionally incompetent is subject to any one or combination of the following:

- 1. A civil penalty of not to exceed one thousand dollars MORE THAN \$1,000 for each violation of this chapter or a rule adopted under this chapter.
  - 2. A letter of reprimand.
  - 3. A decree of censure.
  - 4. Completion of board designated continuing education courses.
  - 5. Probation.
  - 6. Suspension or revocation of the license OR REGISTRATION.
- C. The board may charge the costs of formal hearings to the licensee OR REGISTRANT whom it finds to be in violation of this chapter or a rule adopted under this chapter.
- D. The board on its own motion may investigate any evidence that appears to show that a pharmacy technician or pharmacy technician trainee is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable safely to engage in the permissible activities of a pharmacy technician or pharmacy technician trainee. Any person may, and a licensee, REGISTRANT or permittee of the board must, report to the board any information that appears to show that a pharmacy technician or pharmacy technician trainee is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable safely to engage in the permissible activities of a pharmacy technician or pharmacy technician trainee. The board or the executive director shall notify the pharmacy technician or pharmacy technician trainee as to the content of the complaint as soon as reasonable. Any person or entity that reports or provides information to the board in good faith is not subject to an action for civil damages. It is an act of unprofessional conduct for any pharmacy technician or pharmacy technician trainee to fail to report as required by this subsection.
- E. The pharmacy permittee or pharmacist in charge of a pharmacy located in this state must inform the board if a pharmacy technician or pharmacy technician trainee employed by the pharmacy is terminated because of actions by that person that appear to show that the person is or may be professionally incompetent, is or may be guilty of unprofessional conduct or is or may be mentally or physically unable safely to engage in the permissible activities of a pharmacy technician or pharmacy technician trainee, along with a general statement of the reasons that led the pharmacy to take the action. The pharmacy permittee or pharmacist in charge of a pharmacy located in this state must inform the board if a pharmacy technician or pharmacy technician trainee under investigation resigns or if a pharmacy technician or pharmacy technician trainee resigns in lieu of disciplinary action by the pharmacy. Notification must include

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a general statement of the reasons for the resignation. A person who reports information in good faith pursuant to this subsection is not subject to civil liability.

- F. The board or, if delegated by the board, the executive director shall require any combination of mental, physical, psychological, psychiatric or medical competency examinations or pharmacy technician licensure examinations and conduct necessary investigations, including investigational interviews between representatives of the board and the pharmacy technician or pharmacy technician trainee, to fully inform itself about any information filed with the board pursuant to this section. These examinations may also include biological fluid testing. The board may require the licensee OR REGISTRANT, at that person's expense, to undergo assessment by a board approved BOARD-APPROVED substance abuse treatment and rehabilitation program.
- G. If after completing its investigation the board finds that the information provided pursuant to this section is not of sufficient seriousness to merit disciplinary action against the license OR REGISTRATION of the pharmacy technician or pharmacy technician trainee, the board may take any of the following actions:
  - 1. Dismiss if the complaint is without merit.
- 2. File an advisory letter. The licensee OR REGISTRANT may file a written response with the board within thirty days after receiving the advisory letter.
- 3. Require the licensee OR REGISTRANT to complete board designated BOARD-DESIGNATED continuing pharmaceutical education courses.
- H. The board shall not disclose the name of the person who provides information regarding a licensee's OR REGISTRANT'S drug or alcohol impairment or the name of the person who files a complaint if that person requests anonymity.
- I. If after completing its investigation the board believes that the information is or may be true, it may request a conference with the licensee OR REGISTRANT refuses the invitation for a conference and the investigation indicates that grounds may exist for revocation or suspension of a license OR REGISTRATION, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil penalty, the board shall issue a formal notice that a hearing be held pursuant to title 41, chapter 6, article 10.
- J. If through information provided pursuant to this section or by other means the board finds that the protection of the public health, welfare and safety requires emergency action against the license OR REGISTRATION of a pharmacy technician or pharmacy technician trainee, the board may restrict a license OR REGISTRATION or order a summary suspension of a license OR REGISTRATION pending proceedings for revocation or other action. If the board acts pursuant to this subsection, the board shall also serve the licensee OR REGISTRANT with a written notice of complaint

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and formal hearing that sets forth the charges made against the licensee OR REGISTRANT and the licensee's OR REGISTRANT'S right to a formal hearing before the board or an administrative law judge on the charges within sixty days pursuant to title 41, chapter 6, article 10.

- K. If after completing the conference the board finds the information provided pursuant to this section is not of sufficient seriousness to merit revocation or suspension of a license OR REGISTRATION, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil penalty, it may take the following actions:
  - 1. Dismiss if the information is without merit.
- 2. File an advisory letter. The licensee OR REGISTRANT may file a written response with the board within thirty days after the licensee OR REGISTRANT receives the advisory letter.
- 3. Require the licensee OR REGISTRANT to complete board designated BOARD-DESIGNATED continuing pharmaceutical education courses.
- L. If during a conference the board finds that the information provided pursuant to this section indicates that grounds may exist for revocation or suspension of a license OR REGISTRATION, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil penalty, it may take the following actions:
  - 1. Dismiss if the information is without merit.
- 2. File an advisory letter. The licensee OR REGISTRANT may file a written response with the board within thirty days after the licensee OR REGISTRANT receives the advisory letter.
- 3. Require the licensee OR REGISTRANT to complete board designated BOARD-DESIGNATED continuing pharmaceutical education courses.
- 4. Enter into an agreement with the licensee OR REGISTRANT to discipline the licensee OR REGISTRANT, restrict the licensee's OR REGISTRANT'S practice or professional activities or rehabilitate, retrain or assess the licensee OR REGISTRANT in order to protect the public and ensure the licensee's OR REGISTRANT'S ability to safely engage in the permissible activities of a pharmacy technician or pharmacy technician trainee. The agreement may include at least the following:
  - (a) Issuance of a letter of reprimand.
  - (b) Issuance of a decree of censure.
- (c) Practice or professional restrictions, such as doing the following only under pharmacist supervision:
  - (i) Entering prescription or patient data.
  - (ii) Initiating or accepting verbal refill authorization.
- (iii) Counting, pouring, packaging or labeling prescription medication.
- (iv) Compounding, reconstituting, prepackaging or repackaging drugs.

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- (d) Rehabilitative, retraining or assessment programs, including:
- (i) Board approved BOARD-APPROVED community service.
- (ii) Successful completion of additional board designated BOARD-DESIGNATED continuing pharmaceutical education courses.
- (iii) Successful passage of board approved BOARD-APPROVED pharmacist technician licensure examinations.
- (iv) Successful completion of a  $\frac{\text{board}}{\text{approved}}$  BOARD-APPROVED substance abuse treatment and rehabilitation program at the licensee's OR REGISTRANT'S own expense.
- (e) A civil penalty OF not to exceed one thousand dollars MORE THAN \$1,000 for each violation of this chapter or a rule adopted under this chapter.
- (f) A period and terms of probation best adapted to protect the public health and safety and rehabilitate or educate the licensee OR REGISTRANT concerned. Probation may include temporary suspension and any or all of the disciplinary actions, practice or professional restrictions, rehabilitative, retraining or assessment programs listed in this section or any other program agreed to by the board and the licensee OR REGISTRANT.
- M. If the board finds that the information provided pursuant to this section and additional information provided during the conference warrants revocation or suspension of a license OR REGISTRATION, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil penalty, it shall initiate formal proceedings pursuant to title 41, chapter 6, article 10.
- N. If the licensee OR REGISTRANT wishes to be present at the formal hearing in person or by representation, or both, the licensee OR REGISTRANT must file with the board an answer to the charges in the notice of hearing. The answer must be in writing, be verified under oath and be filed within thirty days after service of the notice of hearing. Failure to answer the board's notice of hearing is deemed an admission of the charges in the notice of hearing.
  - 0. An advisory letter is a nondisciplinary public document.
- P. If the board during an investigation determines that a criminal violation might have occurred, it shall disclose its investigative evidence and information to the appropriate criminal justice agency for its consideration.
- Q. In determining the appropriate disciplinary action under this section, the board shall consider all previous nondisciplinary and disciplinary actions against a licensee OR REGISTRANT.
- R. The board may deny a license OR REGISTRATION to an applicant for the grounds prescribed in subsection A of this section.
- S. A person WHO IS licensed OR REGISTERED pursuant to this chapter or by any other jurisdiction AND who has a license OR REGISTRATION revoked or suspended shall not obtain a license OR REGISTRATION as a pharmacy

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 technician or pharmacy technician trainee or work as a pharmacy technician or pharmacy technician trainee without the approval of the board or its designee.

Sec. 9. Section 32-1927.02, Arizona Revised Statutes, is amended to read:

#### 32-1927.02. Permittees; disciplinary action

- A. The board may discipline a permittee if:
- 1. The board determines that the permittee or permittee's employee is guilty of unethical conduct pursuant to section 32-1901.01, subsection A.
- 2. Pursuant to a psychiatric examination, the permittee or the permittee's employee is found to be mentally unfit to safely engage in employment duties.
- 3. The board determines that the permittee or the permittee's employee is physically or mentally incapacitated to such a degree as to render the permittee or permittee's employee unfit to safely engage in employment duties.
  - 4. The permit was issued through error.
- 5. A permittee or permittee's employee allows a person who does not possess a current license OR REGISTRATION issued by the board to work as a pharmacist, pharmacy intern, pharmacy technician or pharmacy technician trainee.
- B. A permittee who after a formal hearing is found by the board to be guilty of unethical conduct, to be mentally or physically unable safely to engage in employment duties or to be in violation of this chapter or a rule adopted under this chapter or whose employee after a formal hearing is found by the board to be guilty of unethical conduct, to be mentally or physically unable safely to engage in employment duties or to be in violation of this chapter or a rule adopted under this chapter is subject to any one or combination of the following:
- 1. A civil penalty OF not to exceed one thousand dollars MORE THAN \$1,000 for each violation of this chapter or a rule adopted under this chapter.
  - 2. A letter of reprimand.
  - 3. A decree of censure.
- 4. Completion of board-designated pharmacy law continuing education courses.
  - 5. Probation.
  - 6. Suspension or revocation of the permit.
- C. The board may charge the costs of formal hearings to the permittee whom it finds to be in violation of this chapter or a rule adopted under this chapter or whose employee it finds to be in violation of this chapter or a rule adopted under this chapter.
- D. The board on its own motion may investigate any evidence that appears to show that a permittee or permittee's employee is or may be

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 guilty of unethical conduct, is or may be mentally or physically unable safely to engage in employment duties or is or may be in violation of this chapter or a rule adopted under this chapter. Any person may, and any licensee or permittee must, report to the board any information that appears to show that a permittee or permittee's employee is or may be guilty of unethical conduct, is or may be mentally or physically unable safely to engage in employment duties or is or may be in violation of this chapter or a rule adopted under this chapter. The board or the executive director shall notify the permittee as to the content of the complaint as soon as reasonable. Any person or entity that reports or provides information to the board in good faith is not subject to an action for civil damages. It is an act of unethical conduct for any permittee to fail to report as required by this subsection.

- E. The board or, if delegated by the board, the executive director shall require any combination of mental, physical, psychological, psychiatric or medical competency examinations and conduct necessary investigations, including investigational interviews between representatives of the board and the permittee or permittee's employee, to fully inform itself about any information filed with the board under subsection D of this section. These examinations may also include biological fluid testing. The board may require the permittee or permittee's employee, at that person's expense, to undergo assessment by a board-approved substance abuse treatment and rehabilitation program.
- F. If after completing its investigation the board finds that the information provided pursuant to subsection D of this section is not of sufficient seriousness to merit disciplinary action against the permit, the board may take any of the following actions:
  - 1. Dismiss if the complaint is without merit.
- 2. File an advisory letter. The permittee may file a written response with the board within thirty days after receiving the advisory letter.
- 3. Require the permittee to complete board-designated pharmacy law continuing education courses.
- G. The board shall not disclose the name of the person who provides information regarding a permittee's or permittee's employee's drug or alcohol impairment or the name of the person who files a complaint if that person requests anonymity.
- H. If after completing its investigation the board believes that the information is or may be true, it may request a conference with the permittee or permittee's employee refuses the invitation for a conference and the investigation indicates that grounds may exist for revocation or suspension of a permit, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil penalty, the board shall issue a formal notice that a hearing be held pursuant to title 41, chapter 6, article 10.

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- I. If through information provided pursuant to subsection D of this section or by other means the board finds that the protection of the public health, welfare and safety requires emergency action against the permit, the board may restrict a permit or order a summary suspension of a permit pending proceedings for revocation or other action. If the board acts pursuant to this subsection, the board shall also serve the permittee with a written notice of complaint and formal hearing that sets forth the charges and the permittee's right to a formal hearing on the charges before the board or an administrative law judge within sixty days pursuant to title 41, chapter 6, article 10.
- J. If after completing the conference the board finds the information provided pursuant to subsection D of this section is not of sufficient seriousness to merit revocation or suspension of a permit, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil penalty, it may take the following actions:
  - 1. Dismiss if the information is without merit.
- 2. File an advisory letter. The permittee may file a written response with the board within thirty days after receiving the advisory letter.
- 3. Require the permittee to complete board-designated pharmacy law continuing education courses.
- K. If during a conference the board finds that the information provided pursuant to subsection D of this section indicates that grounds may exist for revocation or suspension of a permit, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil penalty, it may take the following actions:
  - 1. Dismiss if the information is without merit.
- 2. File an advisory letter. The permittee may file a written response with the board within thirty days after the permittee receives the advisory letter.
- 3. Require the permittee to complete board-designated pharmacy law continuing education courses.
- 4. Enter into an agreement with the permittee to discipline the permittee, restrict the permittee's business activities or rehabilitate or assess the permittee in order to protect the public and ensure the permittee's ability to safely engage in employment duties. The agreement may include, at a minimum, the following disciplinary actions, business activity restrictions and rehabilitative or assessment programs:
  - (a) Issuance of a letter of reprimand.
  - (b) Issuance of a decree of censure.
- (c) Business activity restrictions, including limitations on the number, type, classification or schedule of drug, device, poison, hazardous substance, controlled substance or precursor chemical that may be manufactured, sold, distributed or dispensed.

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- (d) Successful completion of board-designated pharmacy law continuing education courses.
- (e) Rehabilitative or assessment programs, including board-approved community service or successful completion of a board-approved substance abuse treatment and rehabilitation program at the permittee's own expense.
- (f) A civil penalty OF not to exceed one thousand dollars MORE THAN \$1,000 for each violation of this chapter or a rule adopted under this chapter.
- (g) A period and terms of probation best adapted to protect the public health and safety and rehabilitate or assess the permittee concerned. Probation may include temporary suspension and any or all of the disciplinary actions, business practice restrictions, rehabilitative or assessment programs listed in this section or any other program agreed to by the board and the permittee.
- L. If the board finds that the information provided pursuant to subsection D of this section and additional information provided during the conference indicate that grounds may exist for revocation or suspension of a permit, probation, issuance of a decree of censure or a letter of reprimand or imposition of a civil penalty, it shall initiate formal proceedings pursuant to title 41, chapter 6, article 10.
- M. If the permittee wishes to be present at the formal hearing in person or by representation, or both, the permittee must file with the board an answer to the charges in the notice of hearing. The answer must be in writing, be verified under oath and be filed within thirty days after service of the notice of hearing. Failure to answer the board's notice of hearing is deemed an admission of the charges in the notice of hearing.
- N. If the board, during any investigation, determines that a criminal violation might have occurred, it shall disclose its investigative evidence and information to the appropriate criminal justice agency for its consideration.
- 0. In determining the appropriate disciplinary action under this section, the board shall consider all previous nondisciplinary and disciplinary actions against a permittee.
- P. The board may deny a permit to an applicant for the grounds prescribed in subsection A of this section.
- Q. If the board approves a permit and the business fails to become operational within nine months after the date the permit is granted, the permit is no longer valid. The board may grant a onetime extension for the business to become operational.

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Sec. 10. Section 32-1934, Arizona Revised Statutes, is amended to read:

32-1934. Remote hospital-site pharmacy permittee: requirements

A. A REMOTE HOSPITAL-SITE pharmacy operating in connection with a hospital PERMITTEE shall comply with all the provisions of this chapter requiring registration and regulation of pharmacies, and with board rules AND WITH APPLICABLE FEDERAL LAW.

B. For a pharmacy operating in connection with a hospital, all of the following apply:

1. In hospitals with fifty beds or more, the pharmacy shall be under the continuous supervision of a pharmacist during the time it is open for pharmacy services, except that the board by rule may establish requirements to allow a pharmacist who is engaged in hospital business to be in other areas of the hospital that are located outside the pharmacy.

2. Except as otherwise provided in this paragraph, in hospitals with fewer than fifty beds, with the written approval and recommendations of the board, the services of a pharmacist shall be required on a part-time basis according to the needs of the hospital, provided that this approval does not allow a person other than a pharmacist to compound, manufacture, dispense, label, package, or process drugs. Hospitals with fewer than fifty beds that are located in a county with a population of less than five hundred thousand persons with the written approval and recommendations of the board, may operate a remote dispensing site pharmacy under the remote supervision of a pharmacist pursuant to section 32-1961.01 during the time the pharmacy is open for pharmacy services.

3. In the pharmacist's absence from the hospital, the supervisory registered nurse may obtain from the pharmacy necessary doses of drugs that are ordered by a medical practitioner and that are needed by a patient in an emergency, according to procedures recommended and approved by the board for each hospital.

4. All drugs and medications furnished from the pharmacy to patients on discharge from the hospital shall be dispensed by a pharmacist, and the medication shall be properly labeled.

5. The pharmacist in charge shall initiate procedures to provide for the administrative and technical guidance in all matters pertaining to acquiring, stocking and dispensing drugs and devices and recordkeeping requirements.

- B. A REMOTE HOSPITAL-SITE PHARMACY PERMITTEE SHALL ENSURE THAT:
- 1. THE REMOTE HOSPITAL-SITE PHARMACY IS SUPERVISED BY A PHARMACIST WHO IS LOCATED IN THIS STATE AND WHO IS EMPLOYED BY THE HOSPITAL.
- 2. THE REMOTE HOSPITAL-SITE PHARMACY DISPLAYS A SIGN VISIBLE TO THE PUBLIC IDENTIFYING THE PHARMACY AS A REMOTE HOSPITAL-SITE PHARMACY AND WARNING THAT THE REMOTE HOSPITAL-SITE PHARMACY IS UNDER CONTINUOUS VIDEO SURVEILLANCE THAT IS RECORDED AND RETAINED.

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- 3. THE REMOTE HOSPITAL-SITE PHARMACY USES AN ELECTRONIC RECORDKEEPING SYSTEM THAT IS SHARED WITH AND ACCESSIBLE BY THE PHARMACY LOCATED IN THE HOSPITAL.
- 4. ALL DRUGS AND DEVICES FURNISHED FROM THE REMOTE HOSPITAL-SITE PHARMACY TO PATIENTS OF THE SATELLITE FACILITY ARE VERIFIED BY A PHARMACIST WHO IS LICENSED IN THIS STATE AND WHO IS EMPLOYED BY THE HOSPITAL. IF THE SATELLITE FACILITY IS AN EMERGENCY DEPARTMENT OF THE HOSPITAL, IN THE PHARMACIST'S ABSENCE A REGISTERED NURSE PRACTITIONER OR PROFESSIONAL NURSE WHO IS LICENSED PURSUANT TO CHAPTER 15 OF THIS TITLE, A PHYSICIAN WHO IS LICENSED PURSUANT TO CHAPTER 13 OR 17 OF THIS TITLE OR A PHYSICIAN ASSISTANT WHO IS LICENSED PURSUANT TO CHAPTER 25 OF THIS TITLE MAY OBTAIN FROM THE REMOTE HOSPITAL-SITE PHARMACY NECESSARY DRUGS AND DEVICES THAT ARE ORDERED BY A MEDICAL PRACTITIONER AND THAT ARE NEEDED BY A PATIENT IN AN EMERGENCY, ACCORDING TO POLICIES APPROVED BY THE HOSPITAL.
- 5. THE PHARMACIST IN CHARGE DEVELOPS AND IMPLEMENTS PROCEDURES REGARDING OBTAINING, STORING AND DISPENSING DRUGS FOR INPATIENT ADMINISTRATION AND DEVICES AND RECORDKEEPING REQUIREMENTS.
- 6. IF A NONCONTROLLED SUBSTANCE SINGLE-PATIENT USE MULTIDOSE MEDICATION WAS DISPENSED TO A PATIENT IN A CONTAINER FOR INPATIENT ADMINISTRATION, THE REMOTE HOSPITAL-SITE PHARMACY DISPENSES THAT MEDICATION FOR THE PATIENT ON DISCHARGE, IF NEEDED.
  - C. A REMOTE HOSPITAL-SITE PHARMACY PERMITTEE SHALL:
- 1. DEVELOP AND MAINTAIN A POLICY AND PROCEDURES MANUAL AND MAKE THE MANUAL AVAILABLE TO THE BOARD OR ITS AGENT ON REQUEST.
  - 2. MAINTAIN A PERPETUAL INVENTORY OF CONTROLLED SUBSTANCES.
- 3. ENSURE THAT THERE IS CONTINUOUS VIDEO SURVEILLANCE OF THE REMOTE HOSPITAL-SITE PHARMACY AND MAINTAIN RECORDED VIDEOS FOR AT LEAST SIXTY DAYS.
- 4. ENSURE THAT THE PHARMACIST IN CHARGE FROM THE PHARMACY LOCATED IN THE HOSPITAL RECONCILES THE INVENTORY OF CONTROLLED SUBSTANCES ON A MONTHLY BASIS.
- D. A PHARMACIST MAY ENGAGE SIMULTANEOUSLY IN THE PRACTICE OF PHARMACY AT A REASONABLE NUMBER OF REMOTE HOSPITAL-SITE PHARMACIES AS DETERMINED AND APPROVED BY THE HOSPITAL.
- E. THE BOARD MAY ADOPT ADDITIONAL RULES THAT ARE NECESSARY TO IMPLEMENT THIS SECTION.
- Sec. 11. Section 32-1996, Arizona Revised Statutes, is amended to read:
  - 32-1996. <u>Violations; classification; civil penalty</u>
- A. Except as provided in this section, a person who violates this chapter:
- 1. Without the intent to defraud or mislead is guilty of a class 2 misdemeanor.
  - 2. With the intent to defraud or mislead is guilty of a class 5 felony.

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- B. A person who violates section 32-1965, paragraph 4 or article 3.1 of this chapter is guilty of a class 2 felony.
- C. Any person who secures a license or permit for that person or for another person by knowingly making a false representation, who fraudulently claims to be licensed as a pharmacist or pharmacy intern within the meaning of this chapter or who knowingly engages in the practice of pharmacy without a license is guilty of a class 2 misdemeanor.
- D. A person who secures a license as a pharmacy technician or a REGISTRATION AS A pharmacy technician trainee for that person or for another person by knowingly making a false representation, who fraudulently claims to be licensed as a pharmacy technician or REGISTERED AS a pharmacy technician trainee or who knowingly performs the duties of a pharmacy technician or a pharmacy technician trainee without a license OR REGISTRATION is guilty of a class 2 misdemeanor.
- E. A person who dispenses a human growth hormone in violation of this chapter is guilty of a class 6 felony.
- F. A court convicting any person for a violation of this chapter shall, immediately after the date of conviction, send a complete copy of the record of the conviction, including the person's name and offense committed, to the executive director of the board.
- G. A person who violates section 32-1978 shall be issued a civil penalty only as set forth in that section.
- Sec. 12. Section 36-2604, Arizona Revised Statutes, is amended to read:

### 36-2604. Use and release of confidential information; definitions

- A. Except as otherwise provided in this section, prescription information submitted to the board pursuant to this article is confidential and is not subject to public inspection. The board shall establish procedures to ensure the privacy and confidentiality of patients and that patient information that is collected, recorded and transmitted pursuant to this article is not disclosed except as prescribed in this section.
- B. The board or its designee shall review the prescription information collected pursuant to this article. If the board or its designee has reason to believe an act of unprofessional or illegal conduct has occurred, the board or its designee shall notify the appropriate professional licensing board or law enforcement or criminal justice agency and provide the prescription information required for an investigation. The board may delegate the duties prescribed in this subsection to the executive director pursuant to section 32-1904.
- C. The board may release data collected by the program to the following:
- 1. A person who is authorized to prescribe or dispense controlled substances, or a delegate who is authorized by the prescriber or dispenser, to assist that person to provide medical or pharmaceutical care

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to a patient or to evaluate a patient or to assist with or verify compliance with the requirements of this chapter, the rules adopted pursuant to this chapter and the rules adopted by the department of health services to reduce opioid overdose and death.

- 2. An individual who requests the individual's own prescription monitoring information pursuant to section 12-2293.
- 3. A medical practitioner regulatory board established pursuant to title 32, chapter 7, 11, 13, 14, 15, 16, 17, 18, 25 or 29.
- 4. A local, state or federal law enforcement or criminal justice agency. Except as required pursuant to subsection B of this section, the board shall provide this information only if the requesting agency states in writing that the information is necessary for an open investigation or complaint.
- 5. The Arizona health care cost containment system administration and contractors regarding persons who are receiving services pursuant to chapters 29 and 34 of this title or title XVIII of the Social Security Act. Except as required pursuant to subsection B of this section, the board shall provide this information only if the administration or a contractor states in writing that the information is necessary for an open investigation or complaint or for performing a drug utilization review for controlled substances that supports the prevention of opioid overuse or abuse and the safety and quality of care provided to the member.
- 6. A health care insurer. Except as required pursuant to subsection B of this section, the board shall provide this information only if the health care insurer states in writing that the information is necessary for an open investigation or complaint or for performing a drug utilization review for controlled substances that supports the prevention of opioid overuse or abuse and the safety and quality of care provided to the insured.
- 7. A person who is serving a lawful order of a court of competent jurisdiction.
- 8. A person who is authorized to prescribe or dispense controlled substances and who performs an evaluation on an individual pursuant to section 23-1026.
- 9. A county medical examiner or alternate medical examiner who is directing an investigation into the circumstances surrounding a death as described in section 11-593 or a delegate who is authorized by the county medical examiner or alternate medical examiner.
- 10. The department of health services regarding persons who are receiving or prescribing controlled substances in order to implement a public health response to address opioid overuse or abuse, including a review pursuant to section 36-198. Except as required pursuant to subsection B of this section, the board shall provide this information only if the department states in writing that the information is necessary

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 to implement a public health response to help combat opioid overuse or abuse.

- D. Data provided by the board pursuant to this section may not be used for any of the following:
  - 1. Credentialing health care professionals.
  - 2. Determining payment.
  - 3. Preemployment screening.
  - 4. Any purpose other than as specified in this section.
- E. For a fee determined by the board, the board may provide data to public or private entities for statistical, research or educational purposes after removing information that could be used to identify individual patients or persons who received prescriptions from dispensers.
- F. Any employee of the administration, a contractor or a health care insurer who is assigned delegate access to the program shall operate under the authority and responsibility of the administration's, contractor's or health care insurer's chief medical officer or other employee who is a licensed health care professional and who is authorized to prescribe or dispense controlled substances. A delegate of the administration, a contractor or a health care insurer shall hold a valid license or certification issued pursuant to title 32, chapter 7, 11, 13, 14, 15, 16, 17, 18, 19.1, 25, 29 or 33 as a condition of being assigned and provided delegate access to the program by the board. Each employee of the administration, a contractor or a health care insurer who is a licensed health care professional and who is authorized to prescribe or dispense controlled substances may authorize not more than ten delegates.
- G. A person who is authorized to prescribe or dispense controlled substances or the chief medical officer or other licensed health care professional of the administration, a contractor or a health care insurer who is authorized to prescribe or dispense controlled substances shall deactivate a delegate within five business days after an employment status change, the request of the delegate or the inappropriate use of the controlled substances prescription monitoring program's central database tracking system.
  - H. For the purposes of this section:
- 1. "Administration" and "contractor" have the same meanings prescribed in section 36-2901.
  - 2. "Delegate" means any of the following:
- (a) A licensed health care professional who is employed in the office of or in a hospital with the prescriber or dispenser.
- (b) An unlicensed medical records technician, medical assistant or office manager who is employed in the office of or in a hospital with the prescriber or dispenser and who has received training regarding both the health insurance portability and accountability act privacy standards (45 Code of Federal Regulations part 164, subpart E) and security standards (45 Code of Federal Regulations part 164, subpart C).

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- (c) A forensic pathologist, medical death investigator or other qualified person who is assigned duties in connection with a death investigation pursuant to section 11-594.
- (d) A  $\frac{1}{1}$  REGISTERED pharmacy technician trainee, LICENSED pharmacy technician or LICENSED pharmacy intern who works in a facility with the dispenser.
- (e) Any employee of the administration, a contractor or a health care insurer who is authorized by the administration's, contractor's or health care insurer's chief medical officer or other licensed health care professional who is authorized to prescribe or dispense controlled substances.
- 3. "Health care insurer" has the same meaning prescribed in section 20-3151.

Sec. 13. <u>Effective date</u>

Sections 32-1905, 32-1921.01, 32-1923.01, 32-1924, 32-1927, 32-1927.01, 32-1927.02, 32-1996 and 32-2604, Arizona Revised Statutes, as amended by this act, are effective from and after June 30, 2023.

APPROVED BY THE GOVERNOR JULY 6, 2022.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JULY 6, 2022.

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