A BILL FOR AN ACT

CONCERNING THE AVAILABILITY OF COMPOUNDED PHARMACEUTICAL DRUGS FOR USE BY A VETERINARIAN TO TREAT A PATIENT'S EMERGENCY CONDITION.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

Under current law, a veterinarian cannot maintain an office stock of compounded drugs, which are drugs that are combined, mixed, or otherwise altered to create a specific drug or formulation, for later distribution or administration to patients. The bill authorizes:

A compounding pharmacy to compound and distribute a
drug to a veterinarian without a specific patient indicated to receive the compounded drug; and

A veterinarian to dispense a compounded drug, maintained as part of the veterinarian's office stock, in an amount not to exceed 5 days' worth of doses, if a patient has an emergency condition that the compounded drug is necessary to treat and the veterinarian cannot access, in a timely manner, the compounded drug through a compounding pharmacy.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 12-42.5-118, amend (6) (b) as follows:

12-42.5-118. Compounding - dispensing - sale of drugs and devices - rules - definition. (6) (b) (I) The board shall promulgate rules authorizing a prescription drug outlet located in this state to compound drugs for office use by a practitioner or for use by a hospital located in this state. The rules must limit the amount of drugs a prescription drug outlet may compound and distribute to a practitioner or hospital pursuant to this paragraph (b) to no more than ten percent of the total number of drug dosage units dispensed and distributed on an annual basis by the outlet.

(II) (A) The ten percent limitation set forth in subparagraph (I) of this paragraph (b) applies to a compounded drug for veterinary use that a prescription drug outlet distributes in Colorado.

(B) For purposes of this subparagraph (II), a "prescription drug outlet" includes a nonresident pharmacy outlet registered or licensed pursuant to this article where prescriptions are compounded and dispensed.
SECTION 2. In Colorado Revised Statutes, add 12-42.5-118.5 as follows:

12-42.5-118.5. Compounding drugs for office use by a veterinarian - rules - definitions. (1) A REGISTERED PRESCRIPTION DRUG OUTLET OR OTHER OUTLET REGISTERED PURSUANT TO SECTION 12-42.5-117 (1) (d) MAY COMPOUND AND DISTRIBUTE A DRUG TO A LICENSED VETERINARIAN SO THAT THE VETERINARIAN MAY MAINTAIN THE DRUG AS PART OF THE VETERINARIAN'S OFFICE STOCK.

(2) (a) A VETERINARIAN MAY DISPENSE A COMPOUNDED DRUG MAINTAINED AS PART OF THE VETERINARIAN'S OFFICE STOCK PURSUANT TO SUBSECTION (1) OF THIS SECTION ONLY IF:

(I) THE COMPOUNDED DRUG IS NECESSARY FOR THE TREATMENT OF A PATIENT'S EMERGENCY CONDITION; AND

(II) AS DETERMINED BY THE VETERINARIAN, THE VETERINARIAN CANNOT ACCESS, IN A TIMELY MANNER, THE COMPOUNDED DRUG THROUGH A REGISTERED PRESCRIPTION DRUG OUTLET OR OTHER OUTLET REGISTERED PURSUANT TO SECTION 12-42.5-117 (1) (d).

(b) A VETERINARIAN SHALL NOT DISPENSE A COMPOUNDED DRUG PURSUANT TO THIS SECTION IN AN AMOUNT GREATER THAN THE AMOUNT REQUIRED TO TREAT A PATIENT'S EMERGENCY CONDITION FOR FIVE DAYS.

(3) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "CLIENT" HAS THE SAME MEANING AS SET FORTH IN SECTION 12-64-103 (4.3).

(b) "OFFICE STOCK" MEANS THE STORAGE OF A COMPOUNDED DRUG:

(I) THAT WAS DISTRIBUTED OR SOLD BY A REGISTERED
PRESCRIPTION DRUG OUTLET OR OTHER OUTLET REGISTERED PURSUANT TO SECTION 12-42.5-117 (1) (d) TO A VETERINARIAN;

(II) WITHOUT A SPECIFIC PATIENT INDICATED TO RECEIVE THE COMPOUNDED DRUG; AND

(III) THAT THE VETERINARIAN MAY SUBSEQUENTLY ADMINISTER TO A PATIENT OR DISPENSE TO A CLIENT.

(c) "PATIENT" HAS THE SAME MEANING AS SET FORTH IN SECTION 12-64-103 (9.7).

(d) "PRESCRIPTION DRUG OUTLET" MEANS ANY:

(I) RESIDENT OR NONRESIDENT PHARMACY OUTLET REGISTERED OR LICENSED PURSUANT TO THIS ARTICLE WHERE PRESCRIPTIONS ARE COMPOUNDED AND DISPENSED; OR

(II) FEDERALLY OWNED AND OPERATED PHARMACY REGISTERED WITH THE FEDERAL DRUG ENFORCEMENT ADMINISTRATION.

(4) THE BOARD MAY PROMULGATE RULES AS NECESSARY TO IMPLEMENT THIS SECTION.

SECTION 3. In Colorado Revised Statutes, 12-64-104, add (2.5) and (3) (a) (IV.5) as follows:

12-64-104. License requirements and exceptions - definitions - rules. (2.5) IF A VETERINARIAN COMPLIES WITH THE REQUIREMENTS OF SECTION 12-42.5-118.5, THE VETERINARIAN MAY MAINTAIN AN OFFICE STOCK OF COMPOUNDED DRUGS.

(3) (a) As used in this subsection (3), unless the context otherwise requires:

(IV.5) "OFFICE STOCK" HAS THE SAME MEANING AS SET FORTH IN SECTION 12-42.5-118.5 (3) (b).

SECTION 4. In Colorado Revised Statutes, 12-64-111, add (1)
(a.5) as follows:

12-64-111. Discipline of licensees. (1) Upon receipt of a signed complaint by a complainant or upon its own motion, the board may proceed to a hearing in conformity with section 12-64-112. After a hearing, and by a concurrence of a majority of members, the board may deny a license to an applicant or revoke or suspend the license of, place on probation, or otherwise discipline or fine, a licensed veterinarian for any of the following reasons:

(a.5) Violation of section 12-42.5-118.5 or any rules of the pharmacy board promulgated pursuant to that section;

SECTION 5. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.