

**First Regular Session  
Sixty-fifth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 05-0633.01 Jery Payne

**HOUSE BILL 05-1209**

---

**HOUSE SPONSORSHIP**

**McFadyen**, and Boyd

**SENATE SPONSORSHIP**

**Johnson**,

---

**House Committees**

Health and Human Services  
Finance

**Senate Committees**

---

**A BILL FOR AN ACT**

101 **CONCERNING A PHARMACIST WHO COMPOUNDS DRUGS ADMINISTERED**  
102 **TO A PATIENT IN A PRACTITIONER'S OFFICE.**

---

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

Clarifies that a pharmacist may compound a drug without being considered a manufacturer. Sets the following requirements for a pharmacist compounding drugs:

The compounded drug must be administered to the patient in the practitioner's office or under the practitioner's supervision;

The drug must be compounded only from a registered prescription drug outlet in quantities consistent with the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

*Capital letters indicate new material to be added to existing statute.*

*Dashes through the words indicate deletions from existing statute.*

expiration date of the drug;  
The compounded drug must not be dispensed to the patient;  
The drug cannot be offered for resale; and  
The pharmacist must maintain a readily retrievable record  
of the compounded drug order and preparation.

Requires the board of pharmacy to promulgate rules consistent  
with this act.

---

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

2 **SECTION 1.** 12-22-102 (5), (6), and (26) (b), Colorado Revised  
3 Statutes, are amended to read:

4 **12-22-102. Definitions.** As used in this part 1, unless the context  
5 otherwise requires:

6 (5) (a) "Casual sale" means a transfer, delivery, or distribution to  
7 a corporation, individual, or other entity, other than a consumer, entitled  
8 to possess prescription drugs; except that the amount of drugs transferred,  
9 delivered, or distributed in such manner by any registered prescription  
10 drug outlet or hospital other outlet shall not exceed five percent of the  
11 total number of dosage units of drugs dispensed and distributed on an  
12 annual basis by such outlet.

13 (b) "CASUAL SALE" DOES NOT MEAN THE SALE OF A COMPOUNDED  
14 DRUG.

15 (6) (a) "Compounding" OR "COMPOUND" means the preparation,  
16 mixing, assembling, packaging, or labeling of a drug or device IN  
17 ACCORDANCE WITH SECTION 12-22-121 (2).

18 ~~(I) As the result of a practitioner's prescription drug order, chart~~  
19 ~~order, or initiative, based on the relationship between the practitioner,~~  
20 ~~patient, and pharmacist in the course of professional practice; or~~

21 ~~(II) For the purpose of, or as an incident to, research, teaching, or~~  
22 ~~chemical analysis and not for sale or dispensing.~~

1 (b) "Compounding" also includes the preparation of drugs or  
2 devices in anticipation of prescription drug orders based on routine,  
3 regularly-observed prescribing patterns IN ACCORDANCE WITH SECTION  
4 12-22-121.

5 (26) "Practice of pharmacy" means:

6 (b) (I) The preparation, mixing, assembling, packaging, labeling,  
7 or delivery of a drug or device;

8 (II) Proper and safe storage of drugs or devices; ~~and~~

9 (III) The maintenance of proper records for such drugs and  
10 devices; AND

11 (IV) COMPOUNDING DRUGS.

12 **SECTION 2.** 12-22-121 [REDACTED] (6), Colorado Revised Statutes,  
13 is amended to read:

14 **12-22-121. Compounding - dispensing - sale of drugs and**  
15 **devices.** (6) (a) A practitioner may personally compound and dispense  
16 for any patient under ~~his~~ THE PRACTITIONER'S care any drug ~~which he~~  
17 THAT THE PRACTITIONER is authorized to prescribe and ~~which he~~ THAT  
18 THE PRACTITIONER deems desirable or necessary in the treatment of any  
19 condition being treated by ~~him~~ THE PRACTITIONER, and such practitioner  
20 shall be exempt from all provisions of this part 1 except for the provisions  
21 of section 12-22-126.

22 (b) (I) A PHARMACIST MAY COMPOUND DRUGS AND DRUG  
23 PRODUCTS FOR ADMINISTRATION OR USE IN A PRACTITIONER'S OFFICE OR  
24 UNDER A PRACTITIONER'S SUPERVISION IF THE PHARMACIST COMPLIES WITH  
25 ALL OF THE FOLLOWING:

26 (A) A DRUG SHALL BE COMPOUNDED OR A PRESCRIPTION  
27 DISPENSED IN QUANTITIES CONSISTENT WITH THE EXPIRATION DATE OF THE

1 COMPOUNDED DRUG AND ONLY FROM A REGISTERED PRESCRIPTION DRUG  
2 OUTLET REGISTERED PURSUANT TO SECTION 12-22-120;

3 (B) THE PRACTITIONER SHALL SPECIFY THAT THE DRUG OR DRUG  
4 PRODUCT IS FOR USE OR ADMINISTRATION IN AN OFFICE OR UNDER THE  
5 SUPERVISION OF A PRACTITIONER, AND SHALL INCLUDE IN SUCH  
6 SPECIFICATION THE QUANTITY OF THE DRUG OR DRUG PRODUCT  
7 REQUESTED;

8 (C) THE COMPOUNDED DRUG OR DRUG PRODUCT SHALL NOT BE  
9 DISPENSED TO THE PATIENT;

10 (D) THE DRUG OR DRUG PRODUCT SHALL NOT BE FOR RESALE; AND

11 (E) THE PHARMACIST SHALL MAINTAIN A READILY RETRIEVABLE  
12 RECORD OF THE COMPOUNDED DRUG REQUEST AND PREPARATION.

13 (II) THE BOARD SHALL PROMULGATE RULES CONSISTENT WITH THIS  
14 SECTION.

15 **SECTION 3. Safety clause.** The general assembly hereby finds,  
16 determines, and declares that this act is necessary for the immediate  
17 preservation of the public peace, health, and safety.