

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

**REREVISED**

*This Version Includes All Amendments  
Adopted in the Second House*

LLS NO. 05-0633.01 Jery Payne

**HOUSE BILL 05-1209**

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**HOUSE SPONSORSHIP**

**McFadyen**, and Boyd

**SENATE SPONSORSHIP**

**Johnson**,

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**House Committees**

Health and Human Services  
Finance  
Appropriations

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**Senate Committees**

Health and Human Services

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**A BILL FOR AN ACT**

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

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**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.*

SENATE  
3rd Reading Unamended  
April 29, 2005

SENATE  
2nd Reading Unamended  
April 28, 2005

HOUSE  
3rd Reading Unamended  
April 14, 2005

HOUSE  
Amended 2nd Reading  
April 8, 2005

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.

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

2 **SECTION 1.** 12-22-102 (5), [REDACTED] Colorado Revised Statutes,  
3 is amended to read:

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

6 (5) [REDACTED] "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~~ TEN percent of  
11 the total number of dosage units of drugs dispensed and distributed on an  
12 annual basis by such outlet.

13 [REDACTED]  
14 **SECTION 2.** 12-22-121 (6), Colorado Revised Statutes, is  
15 amended, and the said 12-22-121 is further amended BY THE  
16 ADDITION OF A NEW SUBSECTION, to read:

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

1 shall be exempt from all provisions of this part 1 except for the provisions  
2 of section 12-22-126.

3 (b) THE BOARD SHALL PROMULGATE RULES AUTHORIZING A  
4 PHARMACIST TO COMPOUND DRUGS FOR OFFICE USE BY A PRACTITIONER.  
5 SUCH RULES SHALL LIMIT THE AMOUNT OF DRUGS A PHARMACIST MAY  
6 COMPOUND TO NO MORE THAN TEN PERCENT OF THE TOTAL NUMBER OF  
7 DRUG DOSAGE UNITS DISPENSED AND DISTRIBUTED ON AN ANNUAL BASIS  
8 BY SUCH OUTLET.

9 (17) THE DIRECTOR OF THE DIVISION OF REGISTRATIONS SHALL  
10 CREATE A TASK FORCE TO STUDY THE COMPOUNDING OF DRUGS BY  
11 PHARMACISTS. THE TASK FORCE SHALL INCLUDE EQUAL REPRESENTATION  
12 FROM THE BOARD OF PHARMACY, PRACTITIONERS, AND PHARMACISTS  
13 WHO COMPOUND DRUGS. BY JANUARY 1, 2007, THE TASK FORCE SHALL  
14 REPORT AND MAKE RECOMMENDATIONS TO THE JOINT LEGISLATIVE  
15 OVERSIGHT COMMITTEE WITH OVERSIGHT OF THE DEPARTMENT OF  
16 REGULATORY AGENCIES PURSUANT TO SECTION 2-7-102, C.R.S.

17 **SECTION 3. No appropriation.** The general assembly has  
18 determined that this act can be implemented within existing  
19 appropriations, and therefore no separate appropriation of state moneys  
20 is necessary to carry out the purposes of this act.

21 **SECTION 4. Safety clause.** The general assembly hereby finds,  
22 determines, and declares that this act is necessary for the immediate  
23 preservation of the public peace, health, and safety.