

SUBJECT: Establishing remote dispensing site license for telepharmacy systems

COMMITTEE: Public Health — favorable, without amendment

VOTE: 7 ayes — Price, Burkett, Coleman, Cortez, Klick, Oliverson, Zedler

4 nays — Sheffield, Arévalo, Collier, Guerra

SENATE VOTE: On final passage, April 27 — 31-0

WITNESSES: For — Adam Chesler, Cardinal Health; (*Registered, but did not testify:* Kara Mayfield, Association of Rural Communities in Texas; Sebastien Laroche, Methodist Healthcare Ministries of South Texas, Inc.; Janis Carter and Nicole Kralj, National Association of Chain Drug Stores; Amanda Martin, Texas Association of Business; Lee Johnson, Texas Council of Community Centers; Nora Belcher, Texas e-Health Alliance; Jennifer Banda, Texas Hospital Association; Dan Finch, Texas Medical Association; Don McBeath, Texas Organization of Rural and Community Hospitals; Deane Waldman, Texas Public Policy Foundation; Krista DuRapau, Texas Rural Health Association; Andrew Smith, University Health System)

Against — (*Registered, but did not testify:* Duane Galligher, Texas Independent Pharmacies Association; Justin Hudman, Texas Pharmacy Association)

On — Gay Dodson, Texas State Board Of Pharmacy; (*Registered, but did not testify:* Kerstin Arnold and Allison Benz, Texas State Board of Pharmacy)

BACKGROUND: A telepharmacy system is a system that monitors prescription drug dispensing and provides for related drug use review and patient counseling services electronically. Occupations Code, sec. 562.110 authorizes a telepharmacy system to be located at certain regulated state or federal health care facilities. The Texas State Board of Pharmacy is required to adopt rules governing the use of a telepharmacy system.

A Class A pharmacy license or community pharmacy license under Occupations Code, sec. 560.051, authorizes a pharmacy to dispense a drug or device to the public with a prescription. A Class C pharmacy license or institutional pharmacy license may be issued to a pharmacy located in an inpatient facility, hospital, hospice inpatient facility, or an ambulatory surgical center.

Observers have noted the need to address patients' access to pharmacy services in medically underserved urban and rural areas. They contend the expansion of telepharmacy technology would improve pharmaceutical access and healthcare outcomes.

DIGEST:

SB 1633 would allow a telepharmacy system to be located at a remote dispensing site, defined as a location licensed as a telepharmacy that was authorized by a Class A pharmacy to store and dispense prescription drugs and devices, including dangerous drugs and controlled substances through a telepharmacy system. A remote dispensing site at which a telepharmacy system could be located would include locations in medically underserved areas, areas with a medically underserved population, and health professional shortage areas determined by the U.S. Department of Health and Human Services.

The bill would expand the rules that the Texas State Board of Pharmacy (TSBP) is required to adopt to include licensing and operating requirements for remote dispensing sites. The rules would, among other requirements:

- allow a provider pharmacy to provide services at up to two remote dispensing sites;
- require a pharmacist employed by a provider pharmacy to make at least monthly on-site visits;
- require a remote dispensing site to have an on-site pharmacy technician under continuous supervision of a pharmacist employed by the provider pharmacy;
- require a pharmacist employed by a provider pharmacy to be

present at the remote dispensing site when the pharmacist provides services that need a pharmacist to be physically present, such as immunizations; and

- direct pharmacy technicians to meet certain training and retail experience requirements before working at a remote site.

The bill would prohibit a telepharmacy system at a remote dispensing site from dispensing schedule II controlled substances and from being located within 25 miles by road from a Class A pharmacy. A remote dispensing site that currently is operating within 25 miles of a Class A pharmacy could continue operating at that location.

The bill would require the board to develop and require a process for a remote dispensing site to apply for classification as a Class A pharmacy if it dispensed more than 125 drugs on average per business day.

The board would have to adopt rules by January 1, 2018, to implement the bill's provisions. The bill would take effect September 1, 2017.