

**HOUSE . . . . . No. 3672**

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The Commonwealth of Massachusetts

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**In the Year Two Thousand Thirteen**  
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An Act relative to pharmacy practice in the Commonwealth.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Section 35X of chapter 10 of the General Laws, as appearing in the 2012  
2 Official Edition, is hereby amended by adding the following subsection:—

3 (e) There shall be deposited to the fund any money penalties collected under section 42  
4 7/8 of chapter 112. Such funds shall be held separately and used by the commissioner in  
5 accordance with the requirements of said section.

6 SECTION 2. Chapter 13 of the General Laws is hereby amended by striking out section  
7 22 and inserting in place thereof the following sections: -

8 Section 22. (a) There shall be a board of registration in pharmacy, called the “board” in  
9 this section and sections 23 to 25A, inclusive. The governor shall appoint 11 members to the  
10 board. Members shall be residents of the commonwealth. No person who has been convicted of a  
11 felony or other crime involving embezzlement, theft, fraud or perjury shall be allowed to serve as  
12 a member of the board. The composition of the board shall be as follows: 6 registered  
13 pharmacists; 1 pharmacy technician; 1 representatives of the public with experience in health  
14 care service delivery, administration, or consumer advocacy, subject to the provisions of section  
15 9B; 1 physician registered under chapter 112; 1 nurse registered under chapter 112; and 1 expert  
16 in patient safety and quality improvement.

17 (b) The 6 registered pharmacists shall each have had at least 7 consecutive years of  
18 experience in the practice of pharmacy and shall be currently employed in the practice of  
19 pharmacy in the commonwealth at the time of appointment or reappointment.

20 (c) At the time of appointment or reappointment to the board, at least 1 of the 6 registered  
21 pharmacist members shall be an independent pharmacist employed in the independent pharmacy  
22 setting. For the purposes of this section “independent pharmacist” shall mean a pharmacist

23 actively engaged in the business of retail pharmacy and employed in an organization of 9 or  
24 fewer registered retail drugstores in the commonwealth under section 39 of chapter 112 and  
25 employing not more than 20 full-time pharmacists.

26 (d) At the time of appointment or reappointment to the board, at least 1 of the 6 registered  
27 pharmacist members shall be a chain pharmacist employed in the chain pharmacy setting. For the  
28 purposes of this section “chain pharmacist” shall mean a pharmacist in the employ of a retail  
29 drug organization operating 10 or more retail drug stores within the commonwealth under  
30 section 39 of chapter 112.

31 (e) At the time of appointment or reappointment to the board, at least 1 of the 6 registered  
32 pharmacist members shall have had at least 7 years of experience in a hospital setting in the  
33 commonwealth.

34 (f) At the time of appointment or reappointment to the board, at least 1 of the 6 registered  
35 pharmacist members shall have had at least 7 years of experience employed in a long-term care  
36 pharmacy setting.

37 (g) At the time of appointment or reappointment to the board, at least 1 of the 6 registered  
38 pharmacist members shall have had at least 7 years of experience in the practice of compounding  
39 sterile drug preparations, as defined in section 39D of chapter 112, and shall be engaged in  
40 compounding sterile drug preparations as a routine function of their employment.

41 (h) At the time of appointment or reappointment to the board, at least 1 of the 6 registered  
42 pharmacist members shall be employed in an academic or scholarly position with an institution  
43 of higher learning licensed under the laws of the commonwealth.

44 (i) Not more than 1 pharmacist in any 1 practice setting defined in subsections (c) to (g),  
45 inclusive, may serve on the board at any one time.

46 (j) At the time of appointment or reappointment to the board, the pharmacy technician  
47 member shall have had at least 7 years of practical experience as a pharmacy technician and shall  
48 actually be engaged in the practice of pharmacy as a routine function of their employment.

49 (k) At the time of appointment or reappointment to the board, no registered pharmacist or  
50 pharmacy technician shall have had any type of disciplinary or enforcement action taken against  
51 them by the board or the federal Food and Drug Administration or the federal Drug Enforcement  
52 Administration during the 10 years preceding their appointment to the board.

53 (l) For the purposes of this section, “public member” shall mean a person whose  
54 background and experience qualify them to act on the board in the public interest, including  
55 experience in health care service delivery, administration, or consumer advocacy, and who meets  
56 the provisions of paragraph (4) of subsection (a) of section 9B.

57 (m) Board members shall be appointed and shall serve for a term of 3 years from the first  
58 of the month following appointment. No member may serve more than 2 consecutive terms on  
59 the board. Members who have served the maximum number of consecutive terms shall be  
60 eligible for reappointment after not serving for at least one term.

61 (n) Board members may be removed by the governor, only for reasonable cause of  
62 neglect of duty, misconduct, malfeasance, or misfeasance in office. Prior to removal, such  
63 member shall be given written notice of the basis for removal and be afforded a hearing before  
64 the governor or designee. Such member may appear at the hearing with witnesses and be  
65 represented by counsel. The hearing shall be held within 21 days of the notice.

66 (o) Chapters 268A and 268B shall apply to the members of the board; provided, however,  
67 that the board shall establish a code of ethics for all members and employees that shall be more  
68 restrictive than said chapters 268A and 268B. A copy of the code shall be filed with the state  
69 ethics commission. The code shall include provisions reasonably necessary to carry out the  
70 purposes of this section and any other laws pertaining to the jurisdiction of the board including,  
71 but not limited to: (i) requiring the disclosure of any gifts received by board members by any  
72 person or entity subject to the jurisdiction of the board; (ii) prohibiting the participation by board  
73 members in a particular matter as defined in section 1 of said chapter 268A that affects the  
74 financial interest of a relative within the third degree of consanguinity or a person with whom  
75 such board member has a significant relationship as defined in the code; and (iii) providing for  
76 recusal of a board member in a licensing decision due to a potential conflict of interest.

77 SECTION 3. Section 23 of said chapter 13, as so appearing, is hereby amended by adding  
78 the following paragraph:-

79 A member may serve up to 1 year as secretary and up to 1 year as president during any  
80 single term

81 SECTION 4. Section 25 of said chapter 13, as so appearing, is hereby amended by  
82 striking out, in line 1, the words “no more than six”.

83 SECTION 5. Said chapter 13, as so appearing, is hereby further amended by inserting  
84 after section 25 the following section:-

85 Section 25A. As directed by the board, all inspecting agents shall be trained in United  
86 States Pharmacopeia/National Formulary chapters 797 and 795 as well as additional sterile  
87 compounding surveyor courses. This training shall include, but not be limited to, programs  
88 offered free of charge by the National Association of Boards of Pharmacy.

89 SECTION 6. Section 21 of chapter 94C of the General Laws, as appearing in the 2012  
90 Official Edition, is hereby amended by adding the following 3 paragraphs:

91 The labeling provisions of this section shall apply to the compounding and dispensing of  
92 drugs on the oral or written prescription of a licensed and registered prescriber under section 9.

93 All compounded drug preparations compounded, made or formulated by a retail or  
94 hospital pharmacy licensed by the board of registration in pharmacy shall have affixed to their  
95 container by the compounding pharmacy a label notifying prescribed users and practitioners of  
96 the fact that the drug is either a sterile or non-sterile compounded drug preparation.

97 All sterile compounding pharmacies, as defined in section 39D of chapter 112, shall  
98 provide a telephone number, which shall be staffed during regular hours of operation and not less  
99 than 7 days and 56 hours per week, to foster communication between patients in the  
100 commonwealth and a pharmacist employed by the pharmacy with access to the patient's records.  
101 The phone number shall also be affixed to the container, alongside the label notifying prescribed  
102 users and practitioners of the fact that the drug is a compounded drug preparation.

103 SECTION 7. Section 51H of chapter 111 of the General Laws, as so appearing, is hereby  
104 amended by striking out the definition "serious adverse drug event" and inserting in place thereof  
105 the following definition:-

106 "Serious adverse drug event", any untoward, preventable medical occurrence associated  
107 with the use of a drug in humans, that results in any of the following outcomes: (i) death; (ii) a  
108 life-threatening outcome; (iii) inpatient hospitalization or prolongation of existing  
109 hospitalization; (iv) a persistent or significant incapacity or substantial disruption of the ability to  
110 conduct normal life functions; (v) a congenital anomaly or birth defect; or (vi) any other kind of  
111 harm as determined by the department in regulation. Serious adverse medical occurrences  
112 directly associated with the use of a drug in humans, that may not immediately result in death, be  
113 life-threatening, or require hospitalization may be considered serious when, based upon  
114 appropriate medical judgment, they develop into or result in one of the outcomes listed in this  
115 definition.

116 SECTION 8. Subsection (b) of section 51H of said chapter 111, as so appearing, is  
117 hereby amended by adding the following sentence:- The facility who discovers a serious adverse  
118 drug event resulting from a patient's use, consumption or interaction with any pharmaceutical or  
119 drug preparation, shall report the event to the federal Food and Drug Administration's  
120 MedWatch Program, as well as the pharmacy from which the drug was produced, compounded  
121 or dispensed in addition to all other reporting requirements.

122 SECTION 9. Section 51H of said chapter 111, as so appearing, is hereby further amended  
123 by inserting after the word "reduction", in line 29, the following words:- "the bureau of  
124 healthcare safety and quality within the department and the board of registration in pharmacy.

125 SECTION 10. Section 1 of chapter 111N of the General Laws, as so appearing, is  
126 hereby amended by striking out the definition of “Marketing code of conduct” and inserting in  
127 place thereof the following definition:-

128 “Marketing code of conduct”, practices and standards that govern the marketing and sale  
129 of prescription drugs or medical devices by a pharmaceutical or medical device compounding or  
130 manufacturing company to health care practitioners.

131 SECTION 11. Section 2 of said chapter 111N, as so appearing, is hereby amended by  
132 inserting after the first sentence the following sentence:- For the purposes of this section, an  
133 entity which is involved in pharmaceutical compounding shall be subject to the same standard  
134 marketing code of conduct as all pharmaceutical or medical device manufacturing companies  
135 that employ a person to sell or market prescription drugs or medical devices in the  
136 Commonwealth.

137 SECTION 12. Section 24 of chapter 112 of the General Laws, as appearing in the 2012  
138 Official Edition, is hereby amended by striking out the word “forty-two”, in line 5, and inserting  
139 in place thereof the following word:- 42A.

140 SECTION 13. Section 24A of said chapter 112, as so appearing, is hereby amended by  
141 striking out the second paragraph and inserting in place thereof the following 3 paragraphs:-

142 The board shall require each registered pharmacist seeking personal registration renewal  
143 to complete continuing education requirements as a condition precedent to such renewal. No  
144 registrant shall be eligible for renewal of a personal registration without completion of the  
145 requisite number of contact hours for such renewal. A registrant seeking renewal of a personal  
146 registration shall complete a minimum of 20 contact hours each calendar year of the 2-year  
147 renewal cycle. Of the 20 contact hours effective for the renewal period beginning January 1,  
148 2014 any pharmacist licensed by the commonwealth overseeing or directly engaged in the  
149 practice of pharmaceutical compounding or practicing in a licensed specialty sterile  
150 compounding pharmacy shall devote at least 5 of the 20 contact hours in the area of sterile  
151 compounding.

152 The board, in consultation with an advisory committee of industry experts as established  
153 by section 42¾, shall adopt further rules and regulations for a system of continuing education, in  
154 addition to the aforementioned requirements listed in this section. The board shall accept all  
155 conferences and programs from providers approved by the American Council on Pharmaceutical  
156 Education meeting these requirements.

157 The board shall conduct audits of randomly selected, renewed licenses. The board shall  
158 initiate such audits by sending those selected for an audit a request to provide documentation  
159 establishing completion of contact hour requirements. The name and date of licensees included  
160 in an audit shall be posted on the board’s website. Licensees who are not in compliance with

161 contact hour requirements or fail to provide the requested documentation within 7 days of  
162 receiving a request shall be fined not more than \$1000.

163 SECTION 14. Said chapter 112, as so appearing, is hereby further amended by inserting  
164 after section 25 the following section:-

165 Section 25A. The board shall submit an annual report to the department of public health,  
166 the joint committee on public health and the joint committee on health care financing on or  
167 before December 31 detailing the investigatory and disciplinary actions conducted by the board;  
168 provided, that the report shall detail: (1) each complaint received by the board or initiated by the  
169 board; (2) the date of the complaint; (3) the violation alleged; (4) the name of any state or federal  
170 agencies that collaborated with the investigation; (5) the summary of the final decision of the  
171 board to: (i) dismiss the complaint, (ii) impose an informal sanction or penalty, (iii) impose a  
172 formal sanction or penalty; or (iv) amend a previously issued sanction or penalty; and (6)  
173 whether or not the board reported the result of its investigation to another state board, federal  
174 agency or external entity.

175 All relevant data collected and analyzed under subsections (b) through (e), inclusive, of  
176 section 39D shall be summarized and included in the report. The report shall be made widely  
177 available, including by electronic means, to the public and all hospitals, pharmacies and health  
178 care providers doing business in the commonwealth.

179 SECTION 15. Section 32 of chapter 112 of the General Laws, as so appearing, is hereby  
180 amended by the following paragraph:-

181 The board shall participate in any national data reporting system which provides  
182 information on individual pharmacies, pharmacists and pharmacy technicians including, but not  
183 limited to, relevant databases maintained by the National Association of the Boards of Pharmacy  
184 and the federal Food and Drug Administration.

185 SECTION 16. The second paragraph of section 39 of said chapter 112, as so appearing, is  
186 hereby amended by striking out the second sentence.

187 SECTION 17. Said section 39 of said chapter 112, as so appearing, is hereby amended by  
188 adding the following paragraph:-

189 The board of registration in pharmacy may establish specialty pharmacy licensure  
190 categories beyond those delineated in this section, and in sections 39A to 39C, inclusive, and in  
191 sections 39D ½ to 39G, inclusive, through the promulgation of regulations as deemed necessary  
192 by the board in consultation with the commissioner of public health. The board shall determine  
193 which regulations, applicable to a retail drug business registered under section 39, shall apply to  
194 a pharmacy registered under this section and may establish regulations which shall apply only to

195 a licensure category established under this provision. The licensure fee shall be determined  
196 annually by the secretary of administration and finance under section 3B of chapter 7.

197 SECTION 18. Chapter 112 of the General Laws, as so appearing, is hereby amended by  
198 striking out section 39D and inserting in place thereof the following 4 sections:-

199 Section 39D. (a) As used in this section and in sections 39D½ to 42A, inclusive, the  
200 following words shall, unless the context clearly requires otherwise, have the following  
201 meanings:-

202 “Accountability documentation”, physical documentation validating the lot numbers and  
203 expiration dates of drugs or preparations with a patient drug prescription order from a  
204 practitioner as defined in section 9 of chapter 94C. The purpose of accountability documentation  
205 shall be to facilitate tracing of a drug preparation or compounded sterile drug preparation back to  
206 the sterile compounding pharmacy it was produced at, the individual, pharmacy technician or  
207 automated compounding device which produced the drug, and the prescription order that  
208 generated the production or compounding of the drug preparation.

209 “Compounding”, the preparation, mixing, assembling, packaging, or labeling of 1 or  
210 more active ingredients with 1 or more other substances, towards a final drug preparation, by a  
211 pharmacist within a permitted pharmacy only:

212 (1) formulated for use on or for the patient as a result of a practitioner’s prescription drug  
213 order, based on the relationship between the practitioner, patient, and pharmacist in the course of  
214 routine professional practice, to meet the unique medical need of an individual patient of the  
215 practitioner;

216 (2) for the purpose of, or as an incident to, research, teaching, or chemical analysis and  
217 not for sale or dispensing;

218 (3) in anticipation of prescription orders based on routine, regularly-observed prescribing  
219 patterns that can be verified by accountability documentation; or

220 (4) if compounding does not include the preparation of commercially available, FDA-  
221 approved drug preparations. Compounded preparations that produce, for the patient, a significant  
222 difference between the compounded drug and the comparable commercially available drug  
223 preparation as determined, by the prescriber, as necessary for the medical best interest of the  
224 patient are not copies of commercially available preparations. Significant differences may  
225 include, but are not limited to, the removal of a dye for medical reasons, changes in strength, and  
226 changes in dosage form or delivery mechanism. Price differences are not a significant difference  
227 to justify compounding.

228 “Compounded sterile drug preparation”, a biologic, diagnostic, drug, nutrient, or  
229 radiopharmaceutical that under USP 797 or the federal Food and Drug Administration’s current

230 good manufacturing practices, must be compounded using aseptic techniques. Such preparations  
231 may include, but are not limited to, implants, injectables, parenteral nutrition solutions, irrigation  
232 solutions, inhalation solution, intravenous solutions and ophthalmic preparations.

233 “cGMP”, Current Good Manufacturing Practice regulations enforced by the federal Food  
234 and Drug Administration.

235 “Manager of record”, a person, who, being licensed as a pharmacist, signs the application  
236 for a pharmacy permit and assumes full legal responsibility for the operation of the relevant  
237 pharmacy in a manner complying with the laws and regulations for the practice of pharmacy and  
238 the sale and dispensing of controlled substances. The manager of record shall personally  
239 supervise the pharmacy and pharmacy personnel as required by section 39.

240 “Quality assurance”, a set of activities used to ensure that processes used in preparation  
241 of non-sterile or sterile compounded drug preparations lead, with a high degree of assurance and  
242 certainty, to finished drug preparations meeting pre-determined specifications and standards of  
243 quality.

244 “Sterile compounding”, engaging in the compounding of a sterile drug preparation.

245 “Sterile compounding pharmacy”, any retail or hospital pharmacy or facility, where a  
246 compounded sterile drug preparation is compounded or manufactured.

247 “USP ”, the current edition of the United States Pharmacopeia/National Formulary.

248 (b) Stores or pharmacies engaged in the drug business, as defined in section 37, shall  
249 inform the department of public health of any improper dispensing of prescription drugs that  
250 results in serious injury or death, as defined by the department in regulations, as soon as is  
251 reasonably and practically possible, but not later than 7 business days after discovery of the  
252 improper dispensing.

253 (c) The manager of record of a store or pharmacies shall report any serious adverse drug  
254 event, as defined in section 51H of chapter 111, occurring as result of patient interaction with  
255 any drug or pharmaceutical preparation manufactured, produced or compounded at their  
256 pharmacy, to the board, the federal Food and Drug Administration MedWatch Program and the  
257 Betsy Lehman Center for medical error reduction. This data shall be reported to the board within  
258 7 business days of the knowledge of any serious adverse drug event by any pharmacy employee.

259 (d) All data concerning serious adverse drug events that has been reported to the board of  
260 pharmacy, shall be collected, synthesized and analyzed by the board in a traceable and easily  
261 navigable database format using information technology. The board shall use the data to track  
262 trends in serious adverse drug events, and warn patients, consumers and pharmacies of any  
263 trends which could pose a danger to public health and safety. Data collected under this  
264 subsection shall be made available on the searchable website established under section 42 ½ .



265 (e) If a sterile compounding pharmacy believes that a compounded sterile drug  
266 preparation dispensed or distributed by such pharmacy is or may be defective in any way, the  
267 pharmacy shall immediately recall any such preparation. Any of the same preparation remaining  
268 in the possession of such pharmacy shall be located and segregated, and shall not be distributed  
269 or dispensed. A defective preparation log documenting the recalled preparation shall be kept by  
270 the pharmacy including information on:

- 271 (1) the preparation name, potency and dosage form;
- 272 (2) the reason for the recall;
- 273 (3) the amount of the preparation made;
- 274 (4) the date that the preparation was made;
- 275 (5) the amount of the preparation dispensed or distributed;
- 276 (6) the actual preparation potency and dosage form; and
- 277 (7) any and all serious adverse drug events related to the drug in question.

278 The defective preparation log shall be made available to board of pharmacy inspectors  
279 within 7 days of the recall, and shall be kept on record for at least 2 years. Upon submission of  
280 the defective preparation log to a board of pharmacy inspector, the pharmacy shall work with the  
281 board of pharmacy to develop a corrective action plan that rectifies the error which resulted in a  
282 defective preparation.

283 (f) The department of public health shall promulgate regulations for the administration  
284 and enforcement of this section

285 Section 39D $\frac{1}{2}$ . (a) The board of registration in pharmacy shall establish a category of  
286 pharmacy licensure for pharmacies engaged in the practice of compounding sterile drug  
287 preparations. A pharmacy shall not engage in sterile compounding nor shall a pharmacy  
288 prescribe, ship, mail, sell, transfer or dispense sterile compounded drug preparations in the  
289 commonwealth unless the pharmacy has obtained a sterile compounded drug preparations  
290 specialty license from the board of registration in pharmacy under this section.

291 (b) The sterile compound drug preparations specialty license issued by the board shall be  
292 obtained in addition to and shall not replace any other permit or license a sterile compounding  
293 pharmacy holds. This license is non-transferable and shall be renewed annually. The fee for such  
294 renewal shall be determined annually by the secretary of administration and finance under  
295 section 3B of chapter 7.

296 (c) A pharmacy licensed by the commonwealth intending to compound sterile drug  
297 preparations as well as dispense sterile compounded drug preparations in or out of state, shall

298 adhere to the most current standards established by USP, all chapters, when engaging in any  
299 form of sterile compounding, and shall obtain and hold a sterile compounded drug preparations  
300 specialty license. Such pharmacies shall also adhere to the additional regulations promulgated by  
301 the board of pharmacy under subsection (h) of section 39F, in consultation with an advisory  
302 committee of industry experts as established by section 42<sup>3</sup>/<sub>4</sub> of chapter 112.

303 (d) A pharmacy licensed by the commonwealth that intends to compound and distribute  
304 sterile compounded drug preparations to pharmacies, wholesalers or prescribers in or out of the  
305 state in anticipation of a prescription, in volumes inconsistent with routinely observed volume  
306 patterns associated with patient-specific prescriptions, or in the absence of accountability  
307 documentation, shall adhere to the most current standards established under cGMP when  
308 engaging in any form of sterile compounding. Such pharmacies shall obtain and hold a  
309 manufacturer's license appropriate to this practice, from the federal Food and Drug  
310 Administration, before engaging in any sterile compounding. The manufacturer's license is non-  
311 transferable and shall be renewed annually, at a fee which shall be determined annually by the  
312 secretary of administration and finance under section 3B of chapter 7.

313 Section 39F. (a) A specialty license to compound or sell compounded sterile drug  
314 preparations in the commonwealth shall not be renewed until each location where a licensee  
315 produces the sterile compounding preparations has been inspected by the board and found to be  
316 in compliance with this chapter and regulations adopted by the board.

317 (b) The board shall conduct unannounced random and risk-based inspections of all sterile  
318 compounding pharmacies licensed under this chapter to compound sterile drug preparations, as  
319 well as the compounded sterile drug preparations produced by these pharmacies.

320 (c) The board shall establish a list of procedural criteria on which a sterile compounding  
321 pharmacy will be evaluated at the time of inspection. The procedural criteria shall contain a pre-  
322 determined list of standards and safeguards upon which a sterile compounding pharmacy shall be  
323 inspected, as well as a pre-determined yet alternating list of variable criteria upon which the  
324 pharmacy may be inspected without prior notice as to which subset of these variable criteria will  
325 be included in the inspection.

326 (d) The board shall, in consultation with an advisory committee of industry experts as  
327 established by section 42<sup>3</sup>/<sub>4</sub>, develop a quality assurance procedure for sterile compounding  
328 pharmacies to adhere to including, but not limited to, procedures to enhance physical inspection,  
329 compounding accuracy checks and sterility testing.

330 (e) All sterile compounding pharmacies shall certify that their employees have been  
331 trained in lean business principles before the pharmacy is eligible to receive a sterile compound  
332 drug preparations license.

333 (f) All sterile compounding pharmacies shall report to the board, on an annual basis, a list  
334 of prescriptions dispensed within and out of the state, as well as the volume of prescriptions  
335 dispensed within and out of the state. A sterile compounding pharmacy that ships compounded  
336 drug preparations out of the state, shall in addition to the requirements in this section, report to  
337 the board the names of the states to which such pharmacy has shipped sterile compounded drug  
338 preparations.

339 (g) Sterile compounding pharmacies shall designate a manager of record who shall be  
340 responsible for the pharmacy's compliance with this chapter and shall disclose to the board the  
341 following:

342 (1) The location, name and titles of all principal managers and the name and  
343 Massachusetts license number of the designated manager of record. A report containing this  
344 information shall be made on an annual basis and within 1 month after any change of office,  
345 corporate office or manager of record.

346 (2) The pharmacy shall certify its compliance with reasonable informational requests  
347 made by the board.

348 (3) That the manager of record has fulfilled continuing education requirements for sterile  
349 compounding, and have ensured that all pharmacy staff engaging in compounding have received  
350 the appropriate training and education required by law and regulations.

351 (4) That the manager of record has submitted the names and titles of all individuals  
352 employed by that pharmacy.

353 (h) The board shall establish supplementary regulations, beyond those established by the  
354 current form of USP 797, for all pharmacies intending to compound or dispense sterile drug  
355 preparations in the commonwealth. The board shall establish such regulations in consultation  
356 with an advisory committee of industry experts as established by section 42<sup>3</sup>/<sub>4</sub> of chapter 112.  
357 The regulations shall include, but not be limited to: (1) enhancing environmental monitoring  
358 procedures, (2) enhancing media fill testing procedures, (3) enhancing non-sterile active  
359 pharmaceutical ingredient controls, (4) enhancing procedures testing endotoxin and bioburden  
360 levels of compounded drug preparations, (5) enhancing procedures surrounding process  
361 validation and reproducibility of compounded drug preparations, (6) enhancing procedures  
362 related to end stage testing of compounded drug preparations, (7) enhancing procedures relating  
363 to the storage and beyond-use-dating of compounded drug preparations, (8) enhancing the  
364 physical inspection process for finished sterile compounded drug preparations, (9) developing  
365 effective formulation records for sterile compounding pharmacies, (10) developing effective  
366 compounding records for compounded drug preparations produced at sterile compounding  
367 pharmacies and (11) developing effective procedures to maintain preparations quality and  
368 control after the compounded sterile drug preparation leaves the pharmacy.

369 Section 39G. (a) The board shall establish a procedure to license non-resident or out of  
370 state pharmacies located outside of the commonwealth that prescribe, ship, mail, sell or dispense  
371 medications in the commonwealth, that pertain to the practice of pharmacy. In establishing a  
372 procedure to license non-resident or out of state pharmacies, the board shall require that the  
373 licensing procedure of the state in which any non-resident or out of state pharmacy is located is  
374 equivalent to the licensing procedures applicable to pharmacies in the commonwealth under this  
375 chapter.

376 (b) The non-resident or out of state pharmacies shall designate a pharmacist in charge  
377 who shall be licensed as a pharmacist in the commonwealth and shall be responsible for the  
378 pharmacy's compliance with this chapter. Such pharmacist shall disclose to the board the  
379 following:

380 (1) The location, name and titles of all principal managers and the name and  
381 Massachusetts license number of the designated pharmacist in charge, if applicable. A report  
382 containing this information shall be made on an annual basis and within 1 month after any  
383 change of office, corporate office, or manager of record.

384 (2) That the pharmacy maintains, at all times, a current unrestricted license, permit or  
385 registration to conduct the pharmacy in compliance with the laws and regulations of the  
386 jurisdiction in which it is licensed to practice. The pharmacy shall certify its compliance with  
387 reasonable informational requests made by the board.

388 (3) That the pharmacy maintains its records of all drugs dispensed to patients in the  
389 commonwealth, and that these records are readily available, upon request of the board. A list of  
390 drugs dispensed in the commonwealth shall be sent to the board annually.

391 (c) No pharmacy or pharmacist operating outside of the state shall be authorized to  
392 prescribe, ship, mail, sell, transfer or dispense drug preparations in to the commonwealth unless  
393 the drug preparations are produced in a pharmacy that has been granted a non-resident or out of  
394 state license under this section.

395 (d) No pharmacy or pharmacist operating outside of the state shall be authorized to  
396 prescribe, ship, mail, sell, transfer or dispense sterile compounded drug preparations in the  
397 commonwealth unless the sterile compounded drug preparations are produced in a pharmacy that  
398 has been granted a non-resident or out of state sterile compounded drug preparations license  
399 under this section.

400 SECTION 19. Sections 41 and 42 of chapter 112 of the General Laws are hereby  
401 repealed.

402 SECTION 20. Chapter 112 of the General Laws, as appearing in the 2012 Official  
403 Edition, is hereby amended by inserting after Section 42 the following 3 sections:-

404 Section 42 ½. (a) For the purpose of his section, the following words shall, unless the  
405 context clearly requires otherwise, have the following meanings:

406 “Enforcement action records”, any documents issued by the department of public health  
407 to a pharmacy or pharmacist relating to an infraction or violation of a state or federal statute or  
408 regulation by the pharmacy or pharmacist. These records shall include, but not be limited to,  
409 consent decrees or judgments entered into between the department and a licensed pharmacy or  
410 pharmacist as a result of a charge or complaint filed by the department against a pharmacy or  
411 pharmacist for a statutory or regulatory violation or infraction or any other type of voluntary  
412 resolution of a charge or complaint filed by the department.

413 “Searchable website”, a website that allows the public at no charge to search for and  
414 obtain enforcement action records and serious adverse drug events records, as defined in section  
415 51H of chapter 111, pertaining to pharmacies licensed by the commonwealth.

416 (b) The commissioner shall develop and operate a searchable website accessible by the  
417 public at no charge that includes:

418 (1) copies of all enforcement action records of any pharmacy or pharmacist licensed by  
419 the department whether they are located within or without the commonwealth;

420 (2) copies of any records of serious adverse drug events, as defined in section 51H of  
421 chapter 111, and data relative to such events collected and reported under section 39D, suffered  
422 by a patient or user of medications as a result of their use of medication prepared, made or  
423 constituted by a pharmacy or pharmacist licensed by the department whether within or without  
424 the commonwealth;

425 (3) the names, locations and central points of contact for all licensed compounding  
426 pharmacies based in the commonwealth as well as licensed out-of-state pharmacies shipping  
427 compounded drugs into the commonwealth; and

428 (4) any other relevant information specified by the commissioner.

429 (c) The searchable website shall allow users to search electronically by field in a single  
430 search, parse, query or aggregate the data, and download information yielded by a search. The  
431 website shall permit users to search by a particular pharmacy or pharmacists or by a specific  
432 medication.

433 (d) The searchable website shall include and retain information for not less than 10 years.

434 (e) The commissioner of public health shall update the searchable website as new data  
435 becomes available. All agencies or boards of the department shall provide to the commissioner  
436 all data that is required to be included in the searchable website no later than 30 days after the

437 data becomes available to the department. The commissioner shall provide guidance to agency  
438 or board heads to ensure compliance with this section.

439 (f) This section shall not be construed to require the disclosure of information of patients  
440 or users of medication that is confidential under state or federal law.

441 (g) The commissioner shall not be considered in compliance with this section if the data  
442 required for the searchable website is not available in a searchable and aggregate manner or if the  
443 public is redirected to other government websites, unless each of those websites complies with  
444 the requirement of this section.

445 Section 42<sup>3</sup>/<sub>4</sub>. There is hereby established an advisory committee to the board consisting  
446 of the following members to be appointed by the commissioner of the department of public  
447 health: an expert in United States Pharmacopeia chapter 795, an expert in United States  
448 Pharmacopeia 797, an expert in United States Pharmacopeia 71, an expert in federal current good  
449 manufacturing practices for aseptic processing, an expert in pharmacoconomics, an expert in  
450 clinical pharmacology and a microbiologist. The advisory committee shall consist of additional  
451 members, as determined by the board of registration in pharmacy, if so deemed necessary to  
452 fulfill the duties that this committee is charged with.

453 The advisory committee shall advise the board of pharmacy regarding proposed  
454 regulations on quality assurance and the inspection and testing of compounded drug  
455 preparations. The advisory committee shall advise the board of pharmacy regarding proposed  
456 regulations to supplement the current form of United States Pharmacopeia 797. The advisory  
457 committee shall evaluate current trends in pharmacy in the commonwealth, as well as  
458 recommended improvements to pharmacy practice in the commonwealth. The advisory  
459 committee shall evaluate the volume and revenue of drug preparations generated by each  
460 licensed sterile compounding pharmacy in the commonwealth. The advisory committee shall  
461 study the feasibility of a centralized reporting system for serious adverse drug events and other  
462 serious reportable events which shall be administered by the department of public health for the  
463 purposes of allowing pertinent state agencies, providers, health systems, pharmacies, licensed  
464 compounding pharmacies and other relevant health care entities, as defined by the department of  
465 public health in regulation, to utilize this resource towards improving their internal quality  
466 initiatives and reducing patient safety concerns. Members of the advisory committee shall serve  
467 without compensation, and shall be free of any liability incurred by their proposed  
468 recommendation to the board of pharmacy. The department of public health shall provide the  
469 advisory committee with support services.

470 The advisory committee shall investigate the causes of drug shortages and their relation  
471 to the market for compounded drugs in the commonwealth. The advisory committee shall  
472 determine an approach to address potential drug shortages when sufficient clinical need or a  
473 threat to public health and safety exist.

474 The advisory committee shall study the feasibility of a state-administered central fill  
475 pharmacy for the purposes of compounding and distributing compounded drug preparations for  
476 hospitals in the commonwealth.

477 Section 42 7/8. (a) The board may assess a licensed pharmacy a penalty of not more than  
478 \$25,000 for each violation of regulations or administrative rules established under any general  
479 law that governs the practice of pharmacy. The board of pharmacy, through regulations, shall  
480 ensure that any fine levied is commensurate with the severity of the violation.

481 (b) The board may assess a pharmacy licensed under this chapter and ordered to correct a  
482 violation of regulations or administrative rules established under any general law that governs  
483 the practice of pharmacy, a penalty of not more than \$1,000 for each violation for each day the  
484 violation continues to exist beyond the date prescribed for correction.

485 (c) Upon making an assessment, the board shall give the licensee notice of the matters  
486 alleged and the provisions of law relied upon and shall accord such person an opportunity for a  
487 hearing upon written request within 15 business days of the assessment. If after a hearing, or  
488 waiver thereof, the board determines that cause exists, the board shall make an appropriate  
489 assessment. The affected licensee shall pay such assessment except to the extent that, upon  
490 judicial review, the reviewing court may reverse the final decision of the board.

491 (d) An assessment made under this section shall be due on the thirtieth day after  
492 notification to the affected licensee, or on the fifteenth day after resolution of an administrative  
493 appeal, and deposited into the quality in health professions trust fund as established by section  
494 35X of chapter 10. The attorney general shall recover any assessment due and payable brought in  
495 the name of the commonwealth in the superior court. Funds collected under subsection (b) shall  
496 be paid as described in subsection (c). Monetary penalties collected under this section and  
497 deposited in the quality in health professions trust fund administered by the department of public  
498 health and shall be used to support initiatives such as patient safety and quality improvement  
499 programs for organizations under the jurisdiction of the division of health professions licensure,  
500 training for board and division staff, and to offset the costs of board business, including  
501 investigation, enforcement activities and investments in health information technology. The  
502 board shall promulgate regulations for the administration of this fund, in consultation with the  
503 division, including the establishment of eligibility criteria, program requirements, and  
504 assessment and reporting processes.

505 SECTION 21. Section 42A of chapter 112 of the General Laws, as so appearing, is  
506 hereby amended by inserting after the first paragraph the following paragraph:-

507 The board shall participate in any national data reporting system which provides  
508 information on individual pharmacies, pharmacists and pharmacy technicians including, but not  
509 limited to, relevant databases maintained by the National Association of the Boards of Pharmacy  
510 and the United States Food and Drug Administration

511 SECTION 22. Said section 42A of said chapter 112, as so appearing, is hereby further  
512 amended by adding the following 2 paragraphs:-

513 The board or board president may, without holding a hearing, suspend or refuse to renew  
514 a pharmacy license if the board or board president finds reasonable cause to believe that the  
515 health, safety, or welfare of the public warrants such summary action; provided, however, that  
516 the board shall, within 7 days of such action, afford the holder of such license the opportunity of  
517 a hearing under chapter 30A. Any suspension imposed by the board or board president shall  
518 remain in effect until the conclusion of the proceedings including the judicial review thereof,  
519 unless sooner dissolved by a court of competent jurisdiction or withdrawn by the board.

520 If, based upon evidence, the board or board president determines that a registrant or  
521 licensee or the preparations prepared by a registrant or licensee are an immediate threat to the  
522 public health, safety, or welfare, the board or board president may: (1) issue a cease and desist  
523 notice or quarantine notice requiring the cessation or restriction of any and all pharmacy  
524 operations, and prohibiting the use of medications prepared by or in possession of a pharmacy; or  
525 (2) issue a cease and desist notice or quarantine notice placing non-disciplinary restrictions on a  
526 board registrant or licensee, to the extent necessary to avert a continued threat, pending final  
527 investigation results. The board shall promulgate regulations pertaining to the issuance of cease  
528 and desist and quarantine notices.

529 SECTION 23. Section 187 of chapter 149 of the General Laws, as appearing in the 2012  
530 Official Edition, is hereby amended by inserting after the word “community health agency,” in  
531 line 6, the following word:- pharmacy

532 SECTION 24. The board of registration in pharmacy, shall, in consultation with the  
533 department of public health and an advisory committee of industry experts as established by  
534 section 42<sup>3</sup>/<sub>4</sub> of chapter 112, promulgate regulations no later than 180 days after the effective date  
535 of this act pertaining to the inspections and testing of sterile compounding pharmacies, as well as  
536 the inspection and testing of compounded sterile drug preparations produced by relevant  
537 pharmacies, as required by section 39F of chapter 112 of the General Laws.

538 SECTION 25. Notwithstanding any general or special law to the contrary, the initial  
539 report, as required by section 25A of chapter 112 of the General Laws shall detail the  
540 investigatory and disciplinary actions conducted by the board of registration in pharmacy from  
541 September 1, 2012 through December 1, 2013.

542 SECTION 26. Notwithstanding any general or special law to the contrary, the board of  
543 registration in pharmacy shall establish in regulation no later than 180 days after the effective  
544 date of this act the requirements for specialty licensure, pursuant to section 39D <sup>1</sup>/<sub>2</sub> of chapter 112  
545 of the General Laws, of pharmacies engaged in the practice of compounding sterile drug  
546 preparations consistent with pertinent United States Pharmacopeia Standards and General  
547 Chapters.