

LCB File No. R034-07

**PROPOSED REGULATION OF THE
STATE BOARD OF PHARMACY**

(This proposed regulation was previously adopted as T002-06)

PHARMACY LICENSURE CHANGES

Section 1. NAC 639.5007 shall be amended to as follows:

1. If a license to conduct a pharmacy is issued for an applicant that is required to designate a natural person as a representative of the pharmacy pursuant to NAC 639.5005, the ~~license is subject to the following restrictions:~~

~~—(a) The license expires 90 days after the date the license is issued by the Board.~~

~~—(b) The license entitles the pharmacy to purchase prescription drugs only to the extent necessary to fill prescriptions actually received by the pharmacy.~~

~~—(c) The license prohibits the pharmacy from selling, transferring, distributing, dispensing or otherwise providing prescription drugs to anyone except to a patient who has a legal prescription.~~

~~—2. A pharmacy subject to the provisions of this section may receive an unrestricted license after the pharmacy provides the Board with a copy of a fully executed contract with a long term care facility, home care facility or other similar facility in which the pharmacy has contracted to be the primary provider of prescription drugs. The net proceeds for the pharmacy from such a contract must be at least 75 percent of the monthly payroll for the employees employed by or otherwise compensated by the pharmacy.~~

~~—3. Before the Board issues an unrestricted license pursuant to this section, the Board will inspect the pharmacy and the records of the pharmacy to confirm that the pharmacy has complied with the requirements of this section and all other applicable laws.~~

~~—4. If a restricted license expires, whether after the original period of 90 days or after any subsequent extension, because the pharmacy has not been able to comply with the requirements of this section:~~

~~—(a) The Board will not issue an unrestricted license to the pharmacy; and~~

~~—(b) The pharmacy is subject to involuntary closure pursuant to the provisions of NAC 639.570.~~

~~—5. The owner of a pharmacy that has been involuntarily closed pursuant to subsection 4 and NAC 639.570 may not reapply for a pharmacy license sooner than 1 year after the date of the expiration of the restricted license.~~

~~—6. A pharmacy that has been issued a restricted license pursuant to this section may apply for one extension of the license, which may not exceed 90 days. To apply for an extension of a restricted license, the pharmacy must:~~

~~—(a) Apply in writing not later than 60 days after the date when the restricted license was issued on a form provided by the Board;~~

~~—(b) Be in compliance with this section and all applicable laws; and~~

~~—(c) Demonstrate that it has made a good faith effort to obtain a contract to provide pharmaceutical services.]~~ board may place conditions upon the grant of the license. The conditions may include, but are not limited to:

(a) Making the license temporary for a period of time;

(b) Making the grant of a permanent and unrestricted license conditional upon the satisfaction of other conditions;

(c) Restricting the practices of the pharmacy to certain activities;

(d) Restricting the drugs that may be purchased by the pharmacy to only those drugs necessary to fill prescriptions;

(e) Prohibiting the pharmacy from selling, transferring, distributing, dispensing or otherwise providing prescription drugs to anyone except to a patient who has a legal prescription;

(f) Requiring occasional or random audits of the practices of the pharmacy to assure that it is complying with other conditions;

(g) Requiring the pharmacy to prove or acquire certain contractual relationships, such as contracts with a long-term care facility, home care facility or other similar facility in which the pharmacy has contracted to be the primary provider of prescription drugs;

(h) Requiring the pharmacy to prove that it can pay for its overhead with the pharmacy practices allowed by the board;

(i) Such other terms and conditions as the board deems necessary and appropriate to assure that the license is used only to conduct legitimate pharmacy practice.