Enrolled
House Bill 2028
Sponsored by COMMITTEE ON HEALTH CARE

CHAPTER .................................................

AN ACT

Relating to pharmacy services; creating new provisions; amending ORS 689.005, 689.645, 750.055 and 750.333; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. Section 2 of this 2015 Act is added to and made a part of ORS chapter 689.
SECTION 2. In accordance with rules adopted by the State Board of Pharmacy under ORS 689.205, a pharmacist may engage in the practice of clinical pharmacy.
SECTION 3. ORS 689.005 is amended to read:
689.005. As used in this chapter:
(1) “Administer” means the direct application of a drug or device whether by injection, inhalation, ingestion, or any other means, to the body of a patient or research subject by:
(a) A practitioner or the practitioner's authorized agent; or
(b) The patient or research subject at the direction of the practitioner.
(2) “Approved continuing pharmacy education program” means those seminars, classes, meetings, workshops and other educational programs on the subject of pharmacy approved by the board.
(3) “Board of pharmacy” or “board” means the State Board of Pharmacy.
(4) “Clinical pharmacy agreement” means an agreement between a pharmacist or pharmacy and a health care organization or a physician as defined in ORS 677.010 that permits the pharmacist to engage in the practice of clinical pharmacy for the benefit of the patients of the health care organization or physician.
(5) “Continuing pharmacy education” means:
(a) Professional, pharmaceutical post-graduate education in the general areas of socio-economic and legal aspects of health care;
(b) The properties and actions of drugs and dosage forms; and
(c) The etiology, characteristics and therapeutics of the disease state.
(6) “Continuing pharmacy education unit” means the unit of measurement of credits for approved continuing education courses and programs.
(7) “Deliver” or “delivery” means the actual, constructive or attempted transfer of a drug or device other than by administration from one person to another, whether or not for a consideration.
(8) “Device” means an instrument, apparatus, implement, machine, contrivance, implant, in vitro reagent or other similar or related article, including any component part or accessory, which is required under federal or state law to be prescribed by a practitioner and dispensed by a pharmacist.
“Dispense” or “dispensing” means the preparation and delivery of a prescription drug pursuant to a lawful order of a practitioner in a suitable container appropriately labeled for subsequent administration to or use by a patient or other individual entitled to receive the prescription drug.

“Distribute” means the delivery of a drug other than by administering or dispensing.

“Drug” means:

(a) Articles recognized as drugs in the official United States Pharmacopoeia, official National Formulary, official Homeopathic Pharmacopoeia, other drug compendium or any supplement to any of them;

(b) Articles intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in a human or other animal;

(c) Articles, other than food, intended to affect the structure or any function of the body of humans or other animals; and

(d) Articles intended for use as a component of any articles specified in paragraph (a), (b) or (c) of this subsection.

“Drug order” means a written order, in a hospital or other inpatient care facility, for an ultimate user of any drug or device issued and signed by a practitioner, or an order transmitted by other means of communication from a practitioner, that is immediately reduced to writing by a pharmacist, licensed nurse or other practitioner.

“Drug outlet” means any pharmacy, nursing home, shelter home, convalescent home, extended care facility, drug abuse treatment center, penal institution, hospital, family planning clinic, student health center, retail store, wholesaler, manufacturer, mail-order vendor or other establishment with facilities located within or out of this state that is engaged in dispensing, delivery or distribution of drugs within this state.

“Drug room” means a secure and lockable location within an inpatient care facility that does not have a licensed pharmacy.

“Electronically transmitted” or “electronic transmission” means a communication sent or received through technological apparatuses, including computer terminals or other equipment or mechanisms linked by telephone or microwave relays, or any similar apparatus having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities.

“Institutional drug outlet” means hospitals and inpatient care facilities where medications are dispensed to another health care professional for administration to patients served by the hospitals or facilities.

“Intern” means a person who is enrolled in or has completed a course of study at a school or college of pharmacy approved by the board and who is licensed with the board as an intern.

“Internship” means a professional experiential program approved by the board under the supervision of a licensed pharmacist registered with the board as a preceptor.

“Itinerant vendor” means a person who sells or distributes nonprescription drugs by passing from house to house, or by haranguing the people on the public streets or in public places, or who uses the customary devices for attracting crowds, recommending their wares and offering them for sale.

“Labeling” means the process of preparing and affixing of a label to any drug container exclusive, however, of the labeling by a manufacturer, packer or distributor of a nonprescription drug or commercially packaged legend drug or device.

“Manufacture” means the production, preparation, propagation, compounding, conversion or processing of a device or a drug, either directly or indirectly by extraction from substances of natural origin or independently by means of chemical synthesis or by a combination of extraction and chemical synthesis and includes any packaging or repackaging of the substances or labeling or relabeling of its container, except that this term does not include the preparation or compounding of a drug by an individual for their own use or the preparation, compounding, packaging or labeling of a drug.
(a) By a practitioner as an incident to administering or dispensing of a drug in the course of professional practice; or

(b) By a practitioner or by the practitioner's authorization under supervision of the practitioner for the purpose of or as an incident to research, teaching or chemical analysis and not for sale.

(21) “Manufacturer” means a person engaged in the manufacture of drugs.

(22) “Nonprescription drug outlet” means shopkeepers and itinerant vendors registered under ORS 689.305.

(23) “Nonprescription drugs” means drugs which may be sold without a prescription and which are prepackaged for use by the consumer and labeled in accordance with the requirements of the statutes and regulations of this state and the federal government.

(24) “Person” means an individual, corporation, partnership, association or any other legal entity.

(25) “Pharmacist” means an individual licensed by this state to engage in the practice of pharmacy or to engage in the practice of clinical pharmacy.

(26) “Pharmacy” means a place that meets the requirements of rules of the board, is licensed and approved by the board where the practice of pharmacy may lawfully occur and includes apothecaries, drug stores, dispensaries, hospital outpatient pharmacies, pharmacy departments and prescription laboratories but does not include a place used by a manufacturer or wholesaler.

(27) “Pharmacy technician” means a person licensed by the State Board of Pharmacy who assists the pharmacist in the practice of pharmacy pursuant to rules of the board.

(28) “Practice of clinical pharmacy” means:

(a) The health science discipline in which, in conjunction with the patient's other practitioners, a pharmacist provides patient care to optimize medication therapy and to promote disease prevention and the patient's health and wellness;

(b) The provision of patient care services, including but not limited to post-diagnostic disease state management services; and

(c) The practice of pharmacy by a pharmacist pursuant to a clinical pharmacy agreement.

(29) “Practice of pharmacy” means:

(a) The interpretation and evaluation of prescription orders;

(b) The compounding, dispensing and labeling of drugs and devices, except labeling by a manufacturer, packer or distributor of nonprescription drugs and commercially packaged legend drugs and devices;

(c) The prescribing and administering of vaccines and immunizations and the providing of patient care services pursuant to ORS 689.645;

(d) The administering of drugs and devices to the extent permitted under ORS 689.655;

(e) The participation in drug selection and drug utilization reviews;

(f) The proper and safe storage of drugs and devices and the maintenance of proper records therefor;

(g) The responsibility for advising, where necessary or where regulated, of therapeutic values, content, hazards and use of drugs and devices;

(h) The monitoring of therapeutic response or adverse effect to drug therapy; [and]

(i) The optimizing of drug therapy through the practice of clinical pharmacy;

(j) Patient care services, including medication therapy management and comprehensive medication review; and

(ii) (k) The offering or performing of those acts, services, operations or transactions necessary in the conduct, operation, management and control of pharmacy.

(30) “Practitioner” means a person licensed and operating within the scope of such license to prescribe, dispense, conduct research with respect to or administer drugs in the course of professional practice or research:

(a) In this state; or
(b) In another state or territory of the United States if the person does not reside in Oregon and is registered under the federal Controlled Substances Act.

[(30)] (32) “Preceptor” means a pharmacist or a person licensed by the board to supervise the internship training of a licensed intern.

[(31)] (33) “Prescription drug” or “legend drug” means a drug which is:
(a) Required by federal law, prior to being dispensed or delivered, to be labeled with either of the following statements:
   (A) “Caution: Federal law prohibits dispensing without prescription”; or
   (B) “Caution: Federal law restricts this drug to use by or on the order of a licensed veterinarian”; or
(b) Required by any applicable federal or state law or regulation to be dispensed on prescription only or is restricted to use by practitioners only.

[(32)] (34) “Prescription” or “prescription drug order” means a written, oral or electronically transmitted direction, given by a practitioner authorized to prescribe drugs, for the preparation and use of a drug. When the context requires, “prescription” also means the drug prepared under such written, oral or electronically transmitted direction.

[(33)] (35) “Retail drug outlet” means a place used for the conduct of the retail sale, administering or dispensing or compounding of drugs or chemicals or for the administering or dispensing of prescriptions and licensed by the board as a place wherein the practice of pharmacy may lawfully occur.

[(34)] (36) “Shopkeeper” means a business or other establishment, open to the general public, for the sale or nonprofit distribution of drugs.

[(35)] (37) “Unit dose” means a sealed single-unit container so designed that the contents are administered to the patient as a single dose, direct from the container. Each unit dose container must bear a separate label, be labeled with the name and strength of the medication, the name of the manufacturer or distributor, an identifying lot number and, if applicable, the expiration date of the medication.

[(36)] (38) “Wholesale drug outlet” means any person who imports, stores, distributes or sells for resale any drugs including legend drugs and nonprescription drugs.

SECTION 4. ORS 689.645 is amended to read:

689.645. (1) In accordance with rules adopted by the State Board of Pharmacy under ORS 689.205, a pharmacist may:
(a) Administer vaccines:
   [(a)] (A) To persons who are 11 years of age or older; or
   [(b)] (B) If authorized by the Governor under ORS 433.441 or the Public Health Director under ORS 433.443 or 433.444, to a person three years of age or older.
(b) Pursuant to a statewide drug therapy management protocol developed by the Oregon Health Authority and adopted by rule of the board, provide approved patient care services including smoking cessation therapy and travel health services.

(2) The board may adopt rules allowing a pharmacist to prescribe vaccines and provide patient care services under subsection (1) of this section. The rules related to the prescription of vaccines may be only as broad as necessary to enable pharmacists to enroll and participate in the Vaccines for Children Program administered by the Centers for Disease Control and Prevention.

(3) The board is authorized to issue, to licensed pharmacists who have completed training accredited by the Centers for Disease Control and Prevention, the American Council on Pharmaceutical Education or a similar health authority or professional body, certificates of special competency in the prescription and administration of vaccines.

(4) The board shall adopt rules relating to the reporting of the prescription and administration of vaccines to a patient’s primary health care provider and to the Oregon Health Authority.

(5) The board shall adopt rules requiring pharmacists to establish protocols for the prescription and administration of vaccines and the provision of patient care services under subsection (1) of this section.

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(6) The board shall convene a volunteer [Immunization and Vaccination] Public Health Advisory Committee consisting of no more than nine members for the purpose of advising the board in promulgating rules under this section. The committee shall consist of one representative from the Oregon Health Authority, two representatives from the Oregon Medical Board, two representatives from the Oregon State Board of Nursing and two representatives from the State Board of Pharmacy. The committee may not include more than two pharmacists other than the representatives from the State Board of Pharmacy.

SECTION 5. Section 6 of this 2015 Act is added to and made a part of ORS chapter 414.

SECTION 6. (1) The Oregon Health Authority may reimburse a pharmacist or pharmacy for any health service:

(a) Provided to a medical assistance recipient who is not enrolled in a coordinated care organization or a prepaid managed care health services organization;

(b) That is within the lawful scope of practice of a pharmacist; and

(c) If the authority determines the service is within the types and extent of health care and services to be provided to medical assistance recipients under ORS 414.065.

(2) A coordinated care organization may reimburse a pharmacist or pharmacy for any health service:

(a) Provided to a medical assistance recipient who is enrolled in the coordinated care organization or a prepaid managed care health services organization that enters into a clinical pharmacy agreement with the pharmacist or pharmacy;

(b) That is within the lawful scope of practice of a pharmacist.

SECTION 7. Section 8 of this 2015 Act is added to and made a part of the Insurance Code.

SECTION 8. Notwithstanding any provisions of a health benefit plan as defined in ORS 743.730, whenever the plan provides for payment or reimbursement for a service that is within the lawful scope of practice of a pharmacist, the insurer may provide payment or reimbursement for the service when the service is provided by a pharmacist.

SECTION 9. ORS 750.055, as amended by section 5, chapter 25, Oregon Laws 2014, and section 80, chapter 45, Oregon Laws 2014, is amended to read:

750.055. (1) The following provisions of the Insurance Code apply to health care service contractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:


(c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.

(d) ORS chapter 734.


(f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.
(g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610, 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

(h) ORS 743A.024, except in the case of group practice health maintenance organizations that are federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is referred by a physician, physician assistant or nurse practitioner associated with a group practice health maintenance organization.

(i) ORS 735.600 to 735.650.

(j) ORS 743.680 to 743.689.

(k) ORS 744.700 to 744.740.

(l) ORS 743.730 to 743.773.

(m) ORS 731.485, except in the case of a group practice health maintenance organization that is federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns and operates an in-house drug outlet.

(2) For the purposes of this section, health care service contractors shall be deemed insurers.

(3) Any for-profit health care service contractor organized under the laws of any other state that is not governed by the insurance laws of the other state is subject to all requirements of ORS chapter 732.

(4) The Director of the Department of Consumer and Business Services may, after notice and hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025 and 750.045 that are deemed necessary for the proper administration of these provisions.

SECTION 10. ORS 750.055, as amended by section 33, chapter 698, Oregon Laws 2013, section 6, chapter 25, Oregon Laws 2014, and section 81, chapter 45, Oregon Laws 2014, is amended to read:

750.055. (1) The following provisions of the Insurance Code apply to health care service contractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:


(c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.

(d) ORS chapter 734.


(f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.

(g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610, 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

(h) ORS 743A.024, except in the case of group practice health maintenance organizations that are federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is referred by a physician, physician assistant or nurse practitioner associated with a group practice health maintenance organization.

(i) ORS 743.680 to 743.689.
(j) ORS 744.700 to 744.740.
(k) ORS 743.730 to 743.773.

(L) ORS 731.485, except in the case of a group practice health maintenance organization that is federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns and operates an in-house drug outlet.

(2) For the purposes of this section, health care service contractors shall be deemed insurers.

(3) Any for-profit health care service contractor organized under the laws of any other state that is not governed by the insurance laws of the other state is subject to all requirements of ORS chapter 732.

(4) The Director of the Department of Consumer and Business Services may, after notice and hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025 and 750.045 that are deemed necessary for the proper administration of these provisions.

SECTION 11. ORS 750.055, as amended by section 33, chapter 698, Oregon Laws 2013, section 21, chapter 771, Oregon Laws 2013, section 7, chapter 25, Oregon Laws 2014, and section 82, chapter 45, Oregon Laws 2014, is amended to read:

ORS 750.055. (1) The following provisions of the Insurance Code apply to health care service contractors to the extent not inconsistent with the express provisions of ORS 750.005 to 750.095:


(c) ORS 733.010 to 733.050, 733.080, 733.140 to 733.170, 733.210, 733.510 to 733.680 and 733.695 to 733.780.

(d) ORS chapter 734.


(f) The provisions of ORS chapter 744 relating to the regulation of insurance producers.

(g) ORS 746.005 to 746.140, 746.160, 746.220 to 746.370, 746.600, 746.605, 746.607, 746.608, 746.610, 746.615, 746.625, 746.635, 746.650, 746.655, 746.660, 746.668, 746.670, 746.675, 746.680 and 746.690.

(h) ORS 743A.024, except in the case of group practice health maintenance organizations that are federally qualified pursuant to Title XIII of the Public Health Service Act unless the patient is referred by a physician, physician assistant or nurse practitioner associated with a group practice health maintenance organization.

(i) ORS 743.680 to 743.689.

(j) ORS 744.700 to 744.740.

(k) ORS 743.730 to 743.773.

(L) ORS 731.485, except in the case of a group practice health maintenance organization that is federally qualified pursuant to Title XIII of the Public Health Service Act and that wholly owns and operates an in-house drug outlet.

(2) For the purposes of this section, health care service contractors shall be deemed insurers.
(3) Any for-profit health care service contractor organized under the laws of any other state that is not governed by the insurance laws of the other state is subject to all requirements of ORS chapter 732.

(4) The Director of the Department of Consumer and Business Services may, after notice and hearing, adopt reasonable rules not inconsistent with this section and ORS 750.003, 750.005, 750.025 and 750.045 that are deemed necessary for the proper administration of these provisions.

SECTION 12. ORS 750.333, as amended by section 8, chapter 25, Oregon Laws 2014, is amended to read:

750.333. (1) The following provisions of the Insurance Code apply to trusts carrying out a multiple employer welfare arrangement:


(b) ORS 733.010 to 733.050, 733.140 to 733.170, 733.210, 733.211 to 733.360 and 733.695 to 733.780.

(c) ORS chapter 734.

(d) ORS 742.001 to 742.009, 742.013, 742.061 and 742.400.


(g) Provisions of ORS chapter 744 relating to the regulation of insurance producers and insurance consultants, and ORS 744.700 to 744.740.

(h) ORS 746.005 to 746.140, 746.160 and 746.220 to 746.370.

(i) ORS 731.592 and 731.594.

(j) ORS 731.870.

(2) For the purposes of this section:

(a) A trust carrying out a multiple employer welfare arrangement shall be considered an insurer.

(b) References to certificates of authority shall be considered references to certificates of multiple employer welfare arrangement.

(c) Contributions shall be considered premiums.

(3) The provision of health benefits under ORS 750.301 to 750.341 shall be considered to be the transaction of health insurance.

SECTION 13. Section 8 of this 2015 Act applies to health benefit plans entered into or renewed on or after the effective date of this 2015 Act.

SECTION 14. (1) Sections 2, 6 and 8 of this 2015 Act and the amendments to ORS 689.005, 689.645, 750.055 and 750.333 by sections 3, 4 and 9 to 12 of this 2015 Act become operative on January 1, 2016.

(2) The Oregon Health Authority and the State Board of Pharmacy may take any action before the operative date specified in subsection (1) of this section that is necessary to enable the authority and the board to exercise, on and after the operative date specified in subsection (1) of this section, all of the duties, functions and powers conferred on the authority and the board by sections 2, 6 and 8 of this 2015 Act and the amendments to ORS 689.005, 689.645, 750.055 and 750.333 by sections 3, 4 and 9 to 12 of this 2015 Act.
SECTION 15. The name of the Immunization and Vaccination Advisory Committee is changed to the Public Health Advisory Committee. The Public Health Advisory Committee is a continuation of the Immunization and Vaccination Advisory Committee.

SECTION 16. This 2015 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect on its passage.