

**ASSEMBLY BILL**

**No. 399**

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**Introduced by Assembly Member Bonnie Lowenthal**

February 14, 2011

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An act to amend Section 5024.2 of the Penal Code, relating to corrections.

LEGISLATIVE COUNSEL'S DIGEST

AB 399, as introduced, Bonnie Lowenthal. Corrections: offender pharmacies.

Existing law authorizes the Department of Corrections and Rehabilitation to maintain and operate a comprehensive pharmacy services program for those facilities under the jurisdiction of the department that may incorporate specified features, including a statewide pharmacy administration system with direct authority and responsibility for program administration and oversight, and a multidisciplinary, statewide Pharmacy and Therapeutics Committee with specified responsibilities.

This bill would, instead, require a comprehensive pharmacy services program to incorporate those specified features.

Existing law authorizes the department to operate and maintain a centralized pharmacy distribution center and states that the centralized pharmacy distribution center and institutional pharmacies should be licensed as pharmacies by the California State Board of Pharmacy and should meet all applicable regulations applying to a pharmacy.

This bill would, instead, require that the centralized pharmacy distribution center and institutional pharmacies be licensed as pharmacies by the California State Board of Pharmacy and meet all applicable regulations applying to a pharmacy.

Existing law states that the centralized pharmacy distribution center should maintain a system of quality control checks on each process used to package, label, and distribute medications, and that the department should ensure that there is a program providing for the regular inspection of all department pharmacies in the state to verify compliance with applicable laws, rules, regulations, and other standards as may be appropriate to ensure the health, safety, and welfare of the department’s inmate patients.

This bill would, instead, require the centralized pharmacy distribution center to maintain a system of quality control checks on each process used to package, label, and distribute medications, and would require the department to ensure that there is a program providing for the regular inspection of all department pharmacies in the state to verify compliance with applicable laws, rules, regulations, and other standards as may be appropriate to ensure the health, safety, and welfare of the department’s inmate patients.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 5024.2 of the Penal Code is amended to
- 2 read:
- 3 5024.2. (a) The Department of Corrections and Rehabilitation
- 4 is authorized to maintain and operate a comprehensive pharmacy
- 5 services program for those facilities under the jurisdiction of the
- 6 department that is both cost effective and efficient, ~~and may that~~
- 7 *program shall* incorporate *all of* the following:
- 8 (1) A statewide pharmacy administration system with direct
- 9 authority and responsibility for program administration and
- 10 oversight.
- 11 (2) Medically necessary pharmacy services using professionally
- 12 and legally qualified pharmacists, consistent with the size and the
- 13 scope of medical services provided.
- 14 (3) Written procedures and operational practices pertaining to
- 15 the delivery of pharmaceutical services.
- 16 (4) A multidisciplinary, statewide Pharmacy and Therapeutics
- 17 Committee responsible for all of the following:
- 18 (A) Developing and managing a department formulary.

1 (B) Standardizing the strengths and dosage forms for  
2 medications used in department facilities.

3 (C) Maintaining and monitoring a system for the review and  
4 evaluation of corrective actions related to errors in prescribing,  
5 dispensing, and administering medications.

6 (D) Conducting regular therapeutic category reviews for  
7 medications listed in the department formulary.

8 (E) Evaluating medication therapies and providing input to the  
9 development of disease management guidelines used in the  
10 department.

11 (5) A requirement for the use of generic medications, when  
12 available, unless an exception is reviewed and approved in  
13 accordance with an established nonformulary approval process.

14 (6) Use of an enterprise-based pharmacy operating system that  
15 provides management with information on prescription workloads,  
16 medication utilization, prescribing data, and other key pharmacy  
17 information.

18 (b) The department is authorized to operate and maintain a  
19 centralized pharmacy distribution center to provide advantages of  
20 scale and efficiencies related to medication purchasing, inventory  
21 control, volume production, drug distribution, workforce utilization,  
22 and increased patient safety. ~~It is the intent of the Legislature that~~  
23 ~~the~~ *The* centralized pharmacy distribution center and institutional  
24 pharmacies *shall* be licensed as pharmacies by the California State  
25 Board of Pharmacy ~~meeting and shall meet~~ all applicable  
26 regulations applying to a pharmacy.

27 (1) To the extent it is cost effective and efficient, the centralized  
28 pharmacy distribution center should include systems to do the  
29 following:

30 (A) Order and package bulk pharmaceuticals and prescription  
31 and stock orders for all department correctional facilities.

32 (B) Label medications as required to meet state and federal  
33 prescription requirements.

34 (C) Provide barcode validation matching the drug to the specific  
35 prescription or floor stock order.

36 (D) Sort completed orders for shipping and delivery to  
37 department facilities.

38 (2) Notwithstanding any other requirements, the department  
39 centralized pharmacy distribution center is authorized to do the  
40 following:

1 (A) Package bulk pharmaceuticals into both floor stock and  
2 patient-specific packs.

3 (B) Reclaim, for reissue, unused and unexpired medications.

4 (C) Distribute the packaged products to department facilities  
5 for use within the state corrections system.

6 (3) The centralized pharmacy distribution center ~~should~~ *shall*  
7 maintain a system of quality control checks on each process used  
8 to package, label, and distribute medications. The quality control  
9 system may include a regular process of random checks by a  
10 licensed pharmacist.

11 (c) The department may investigate and initiate potential  
12 systematic improvements in order to provide for the safe and  
13 efficient distribution and control of, and accountability for, drugs  
14 within the department's statewide pharmacy administration system,  
15 taking into account factors unique to the correctional environment.

16 (d) The department ~~should~~ *shall* ensure that there is a program  
17 providing for the regular inspection of all department pharmacies  
18 in the state to verify compliance with applicable law, rules,  
19 regulations, and other standards as may be appropriate to ensure  
20 the health, safety, and welfare of the department's inmate patients.

21 (e) On March 1, 2012, and each March 1 thereafter, the  
22 department shall report all of the following to the Joint Legislative  
23 Budget Committee, the Senate Committee on Appropriations, the  
24 Senate Committee on Budget and Fiscal Review, the Senate  
25 Committee on Health, the Senate Committee on Public Safety, the  
26 Assembly Committee on Appropriations, the Assembly Committee  
27 on Budget, the Assembly Committee on Health, and the Assembly  
28 Committee on Public Safety:

29 (1) The extent to which the Pharmacy and Therapeutics  
30 Committee has been established and achieved the objectives set  
31 forth in this section, as well as the most significant reasons for  
32 achieving or not achieving those objectives.

33 (2) The extent to which the department is achieving the objective  
34 of operating a fully functioning and centralized pharmacy  
35 distribution center, as set forth in this section, that distributes  
36 pharmaceuticals to every adult prison under the jurisdiction of the  
37 department, as well as the most significant reasons for achieving  
38 or not achieving that objective.

1 (3) The extent to which the centralized pharmacy distribution  
2 center is achieving cost savings through improved efficiency and  
3 distribution of unit dose medications.

4 (4) A description of planned or implemented initiatives to  
5 accomplish the next 12 months' objectives for achieving the goals  
6 set forth in this section, including a fully functioning and  
7 centralized pharmacy distribution center that distributes  
8 pharmaceuticals to every adult facility under the jurisdiction of  
9 the department.

10 (5) The costs for prescription pharmaceuticals for the previous  
11 fiscal year, both statewide and at each adult prison under the  
12 jurisdiction of the department, and a comparison of these costs  
13 with those of the prior fiscal year.

14 (f) The requirement for submitting a report imposed under  
15 subdivision (e) is inoperative on March 1, 2016, pursuant to Section  
16 10231.5 of the Government Code.