

AMENDED IN ASSEMBLY MAY 21, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2369

Introduced by Assembly Member Valadao

February 24, 2012

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

LEGISLATIVE COUNSEL'S DIGEST

AB 2369, as amended, Valadao. Prisoners: pharmacy services.

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 is both cost effective and efficient, that may incorporate a requirement for the use of generic medications, when available, unless an exception is reviewed and approved in accordance with an established nonformulary approval process.

This bill would instead require the use of generic medications, when available, unless an exception is reviewed and approved in accordance with an established nonformulary approval process, *or unless the prescriber has indicated on the face of the prescription or on any other appropriate form for electronic prescriptions "dispense as written"*.

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:

1 5024.2. (a) The Department of Corrections and Rehabilitation
2 is authorized to maintain and operate a comprehensive pharmacy
3 services program for those facilities under the jurisdiction of the
4 department that is both cost effective and efficient, and may
5 incorporate the following:

6 (1) A statewide pharmacy administration system with direct
7 authority and responsibility for program administration and
8 oversight.

9 (2) Medically necessary pharmacy services using professionally
10 and legally qualified pharmacists, consistent with the size and the
11 scope of medical services provided.

12 (3) Written procedures and operational practices pertaining to
13 the delivery of pharmaceutical services.

14 (4) A multidisciplinary, statewide Pharmacy and Therapeutics
15 Committee responsible for all of the following:

16 (A) Developing and managing a department formulary.

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

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

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

24 (E) Evaluating medication therapies and providing input to the
25 development of disease management guidelines used in the
26 department.

27 (5) Use of an enterprise-based pharmacy operating system that
28 provides management with information on prescription workloads,
29 medication utilization, prescribing data, and other key pharmacy
30 information.

31 (b) The comprehensive pharmacy services program shall require
32 the use of generic medications, when available, unless an exception
33 is reviewed and approved in accordance with an established
34 nonformulary approval process, *or unless the prescriber has*
35 *indicated on the face of the prescription or on any other*
36 *appropriate form for electronic prescriptions “dispense as*
37 *written”.*

38 (c) The department is authorized to operate and maintain a
39 centralized pharmacy distribution center to provide advantages of
40 scale and efficiencies related to medication purchasing, inventory

1 control, volume production, drug distribution, workforce utilization,
2 and increased patient safety. It is the intent of the Legislature that
3 the centralized pharmacy distribution center and institutional
4 pharmacies be licensed as pharmacies by the California State Board
5 of Pharmacy meeting all applicable regulations applying to a
6 pharmacy.

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

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

12 (B) Label medications as required to meet state and federal
13 prescription requirements.

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

16 (D) Sort completed orders for shipping and delivery to
17 department facilities.

18 (2) Notwithstanding any other requirements, the department
19 centralized pharmacy distribution center is authorized to do the
20 following:

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

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

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

26 (3) The centralized pharmacy distribution center should maintain
27 a system of quality control checks on each process used to package,
28 label, and distribute medications. The quality control system may
29 include a regular process of random checks by a licensed
30 pharmacist.

31 (d) The department may investigate and initiate potential
32 systematic improvements in order to provide for the safe and
33 efficient distribution and control of, and accountability for, drugs
34 within the department's statewide pharmacy administration system,
35 taking into account factors unique to the correctional environment.

36 (e) The department should ensure that there is a program
37 providing for the regular inspection of all department pharmacies
38 in the state to verify compliance with applicable law, rules,
39 regulations, and other standards as may be appropriate to ensure
40 the health, safety, and welfare of the department's inmate patients.

1 (f) On March 1, 2012, and each March 1 thereafter, the
2 department shall report all of the following to the Joint Legislative
3 Budget Committee, the Senate Committee on Appropriations, the
4 Senate Committee on Budget and Fiscal Review, the Senate
5 Committee on Health, the Senate Committee on Public Safety, the
6 Assembly Committee on Appropriations, the Assembly Committee
7 on Budget, the Assembly Committee on Health, and the Assembly
8 Committee on Public Safety:

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

13 (2) The extent to which the department is achieving the objective
14 of operating a fully functioning and centralized pharmacy
15 distribution center, as set forth in this section, that distributes
16 pharmaceuticals to every adult prison under the jurisdiction of the
17 department, as well as the most significant reasons for achieving
18 or not achieving that objective.

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

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

28 (5) The costs for prescription pharmaceuticals for the previous
29 fiscal year, both statewide and at each adult prison under the
30 jurisdiction of the department, and a comparison of these costs
31 with those of the prior fiscal year.

32 (g) The requirement for submitting a report imposed under
33 subdivision (f) is inoperative on March 1, 2016, pursuant to Section
34 10231.5 of the Government Code.