

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0881.01 Jennifer Berman x3286

HOUSE BILL 16-1324

HOUSE SPONSORSHIP

Ginal, McCann, Arndt, Becker K., Brown, Coram, Dore, Lebsock, Vigil, Court, Primavera

SENATE SPONSORSHIP

Sonnenberg, Garcia

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A BILL FOR AN ACT

101 CONCERNING THE AVAILABILITY OF COMPOUNDED PHARMACEUTICAL
102 DRUGS FOR USE BY A VETERINARIAN TO TREAT A PATIENT'S
103 EMERGENCY CONDITION.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Under current law, a veterinarian cannot maintain an office stock of compounded drugs, which are drugs that are combined, mixed, or otherwise altered to create a specific drug or formulation, for later distribution or administration to patients. The bill authorizes:

! A compounding pharmacy to compound and distribute a

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

drug to a veterinarian without a specific patient indicated to receive the compounded drug; and

- ! A veterinarian to dispense a compounded drug, maintained as part of the veterinarian's office stock, in an amount not to exceed 5 days' worth of doses, if a patient has an emergency condition that the compounded drug is necessary to treat and the veterinarian cannot access, in a timely manner, the compounded drug through a compounding pharmacy.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 12-42.5-118, **amend**
3 (6) (b) as follows:

4 **12-42.5-118. Compounding - dispensing - sale of drugs and**
5 **devices - rules - definition.** (6) (b) (I) The board shall promulgate rules
6 authorizing a prescription drug outlet located in this state to compound
7 drugs for office use by a practitioner or for use by a hospital located in
8 this state. The rules must limit the amount of drugs a prescription drug
9 outlet may compound and distribute to a practitioner or hospital pursuant
10 to this paragraph (b) to no more than ten percent of the total number of
11 drug dosage units dispensed and distributed on an annual basis by the
12 outlet.

13 (II) (A) THE TEN PERCENT LIMITATION SET FORTH IN
14 SUBPARAGRAPH (I) OF THIS PARAGRAPH (b) APPLIES TO A COMPOUNDED
15 DRUG FOR VETERINARY USE THAT A PRESCRIPTION DRUG OUTLET
16 DISTRIBUTES IN COLORADO.

17 (B) FOR PURPOSES OF THIS SUBPARAGRAPH (II), A "PRESCRIPTION
18 DRUG OUTLET" INCLUDES A NONRESIDENT PHARMACY OUTLET REGISTERED
19 OR LICENSED PURSUANT TO THIS ARTICLE WHERE PRESCRIPTIONS ARE
20 COMPOUNDED AND DISPENSED.

1 **SECTION 2.** In Colorado Revised Statutes, **add** 12-42.5-118.5
2 as follows:

3 **12-42.5-118.5. Compounding drugs for office use by a**
4 **veterinarian - rules - definitions.** (1) A REGISTERED PRESCRIPTION
5 DRUG OUTLET OR OTHER OUTLET REGISTERED PURSUANT TO SECTION
6 12-42.5-117 (1) (d) MAY COMPOUND AND DISTRIBUTE A DRUG TO A
7 LICENSED VETERINARIAN SO THAT THE VETERINARIAN MAY MAINTAIN THE
8 DRUG AS PART OF THE VETERINARIAN'S OFFICE STOCK.

9 (2) (a) A VETERINARIAN MAY DISPENSE A COMPOUNDED DRUG
10 MAINTAINED AS PART OF THE VETERINARIAN'S OFFICE STOCK PURSUANT TO
11 SUBSECTION (1) OF THIS SECTION ONLY IF:

12 (I) THE COMPOUNDED DRUG IS NECESSARY FOR THE TREATMENT
13 OF A PATIENT'S EMERGENCY CONDITION; AND

14 (II) AS DETERMINED BY THE VETERINARIAN, THE VETERINARIAN
15 CANNOT ACCESS, IN A TIMELY MANNER, THE COMPOUNDED DRUG
16 THROUGH A REGISTERED PRESCRIPTION DRUG OUTLET OR OTHER OUTLET
17 REGISTERED PURSUANT TO SECTION 12-42.5-117 (1) (d).

18 (b) A VETERINARIAN SHALL NOT DISPENSE A COMPOUNDED DRUG
19 PURSUANT TO THIS SECTION IN AN AMOUNT GREATER THAN THE AMOUNT
20 REQUIRED TO TREAT A PATIENT'S EMERGENCY CONDITION FOR FIVE DAYS.

21 (3) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
22 REQUIRES:

23 (a) "CLIENT" HAS THE SAME MEANING AS SET FORTH IN SECTION
24 12-64-103 (4.3).

25 (b) "OFFICE STOCK" MEANS THE STORAGE OF A COMPOUNDED
26 DRUG:

27 (I) THAT WAS DISTRIBUTED OR SOLD BY A REGISTERED

1 PRESCRIPTION DRUG OUTLET OR OTHER OUTLET REGISTERED PURSUANT TO
2 SECTION 12-42.5-117 (1) (d) TO A VETERINARIAN;

3 (II) WITHOUT A SPECIFIC PATIENT INDICATED TO RECEIVE THE
4 COMPOUNDED DRUG; AND

5 (III) THAT THE VETERINARIAN MAY SUBSEQUENTLY ADMINISTER
6 TO A PATIENT OR DISPENSE TO A CLIENT.

7 (c) "PATIENT" HAS THE SAME MEANING AS SET FORTH IN SECTION
8 12-64-103 (9.7).

9 (d) "PRESCRIPTION DRUG OUTLET" MEANS ANY:

10 (I) RESIDENT OR NONRESIDENT PHARMACY OUTLET REGISTERED
11 OR LICENSED PURSUANT TO THIS ARTICLE WHERE PRESCRIPTIONS ARE
12 COMPOUNDED AND DISPENSED; OR

13 (II) FEDERALLY OWNED AND OPERATED PHARMACY REGISTERED
14 WITH THE FEDERAL DRUG ENFORCEMENT ADMINISTRATION.

15 (4) THE BOARD MAY PROMULGATE RULES AS NECESSARY TO
16 IMPLEMENT THIS SECTION.

17 **SECTION 3.** In Colorado Revised Statutes, 12-64-104, **add** (2.5)
18 and (3) (a) (IV.5) as follows:

19 **12-64-104. License requirements and exceptions - definitions**
20 **- rules.** (2.5) IF A VETERINARIAN COMPLIES WITH THE REQUIREMENTS OF
21 SECTION 12-42.5-118.5, THE VETERINARIAN MAY MAINTAIN AN OFFICE
22 STOCK OF COMPOUNDED DRUGS.

23 (3) (a) As used in this subsection (3), unless the context otherwise
24 requires:

25 (IV.5) "OFFICE STOCK" HAS THE SAME MEANING AS SET FORTH IN
26 SECTION 12-42.5-118.5 (3) (b).

27 **SECTION 4.** In Colorado Revised Statutes, 12-64-111, **add** (1)

1 (a.5) as follows:

2 **12-64-111. Discipline of licensees.** (1) Upon receipt of a signed
3 complaint by a complainant or upon its own motion, the board may
4 proceed to a hearing in conformity with section 12-64-112. After a
5 hearing, and by a concurrence of a majority of members, the board may
6 deny a license to an applicant or revoke or suspend the license of, place
7 on probation, or otherwise discipline or fine, a licensed veterinarian for
8 any of the following reasons:

9 (a.5) VIOLATION OF SECTION 12-42.5-118.5 OR ANY RULES OF THE
10 PHARMACY BOARD PROMULGATED PURSUANT TO THAT SECTION;

11 **SECTION 5. Safety clause.** The general assembly hereby finds,
12 determines, and declares that this act is necessary for the immediate
13 preservation of the public peace, health, and safety.