

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 916 (Senator Lam)
Education, Health, and Environmental Affairs

Physicians - Dispensing Permit Exemption - Prepackaged Topical

This bill authorizes physicians to personally dispense a “prepackaged topical” without a dispensing permit.

Fiscal Summary

State Effect: The bill is not expected to materially affect State finances or operations, as discussed below.

Local Effect: None.

Small Business Effect: Potential minimal.

Analysis

Bill Summary: “Prepackaged topical” means a prescription-strength cream, lotion, or solution that is packaged at the site of production and requires no preparation prior to dispensing.

Current Law: Under the Maryland Pharmacy Act, a person must be licensed by the State Board of Pharmacy in order to practice pharmacy in the State, which includes the dispensing of prescription drugs. “Dispensing” means the procedure that results in the receipt of a prescription or nonprescription drug or device by a patient or the patient’s agent and that entails (1) the interpretation of an authorized prescriber’s prescription for a drug or device; (2) the selection and labeling of the drug or device prescribed pursuant to that prescription; and (3) measuring and packaging of the prescribed drug or device in accordance with State and federal laws. This requirement does not prohibit specified

individuals from personally preparing and dispensing prescriptions under specified circumstances, including a licensed physician who personally prepares and dispenses the physician's prescriptions.

Chapter 116 of 2016 clarified that a licensed physician may personally prepare and dispense a prescription written by a physician assistant, in accordance with an authorized delegation agreement, or a prescription written by a certified nurse practitioner who works with the physician in the same office setting, if the physician otherwise complies with dispensing requirements.

State Fiscal Effect: The State Board of Physicians (MBP) charges \$1,050 for a dispensing permit; of this fee, MBP retains \$50 and the remaining \$1,000 is transferred to the Office of Controlled Substances Administration (OCSA).

OCSA advises that only a small number of physicians dispense prepackaged topical products. Thus, authorizing these physicians to dispense such products without dispensing permits does not materially affect OCSA. MBP similarly advises that any decrease in fee revenue as a result of the bill is expected to be minimal, and that it can handle any necessary form revisions with existing resources.

Additional Information

Prior Introductions: HB 1063 of 2018 received a hearing in the House Health and Government Operations Committee but was withdrawn.

Cross File: HB 1288 (Delegate Barron) - Health and Government Operations.

Information Source(s): Maryland Department of Health; Department of Legislative Services

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md/jc

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