Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

State of Arkansas *As Engrossed: S1/16/07 S2/1/07 S3/1/07*
86th General Assembly **A Bill**
Regular Session, 2007 SENATE BILL 20

By: Senator Altes
By: Representatives Medley, Walters, Wells

For An Act To Be Entitled

AN ACT TO ESTABLISH A PRESCRIPTION DRUG MONITORING PROGRAM; AND FOR OTHER PURPOSES.

Subtitle

AN ACT TO ESTABLISH A PRESCRIPTION DRUG MONITORING PROGRAM.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 20, Chapter 7 is amended to add an additional subchapter to read as follows:

20-7-501. Title.

This subchapter shall be known and may be cited as the "Prescription Drug Monitoring Program Act".

20-7-502. Purpose.

The General Assembly intends to protect the state health system by improving the state's ability to identify and stop diversion of prescription drugs in an efficient and cost-effective manner that will not impede the appropriate medical use of controlled substances.

20-7-503. Definitions.

As used in this subchapter:

(1) "Administer" means the direct application of a controlled substance, whether by injection, inhalation, ingestion, or any other means to the body of a patient or research subject by a person licensed in this state

to directly apply controlled substances;

(2)(A) "Dispenser" means a person who delivers Schedule II narcotics or Schedule III narcotics.

(B) "Dispenser" does not include:

(i) A licensed hospital pharmacy that distributes *Schedule II narcotics and Schedule III narcotics:*

(a) For the purpose of inpatient hospital *care;*

(b) For outpatient services, except for a pharmacy owned by a hospital that has a retail pharmacy permit; and

(c) At the time of discharge from a hospital;

(ii) A nursing home or hospice;

(iii) A person licensed in this state to administer *Schedule II narcotics or Schedule III narcotics; or*

(iv) A wholesale distributor of Schedule II narcotics and Schedule III narcotics;

(3) "Division" means the Division of Health of the Department of Health and Human Services;

(4) "Interoperability" means the ability of the program to electronically share reported information with another state if the information concerns either the dispensing of a controlled substance:

(A) To a patient who resides in the other state; or

(B) Prescribed by a practitioner whose principal place of business is located in the other state;

(5) "Patient" means the person who is the ultimate user of a *Schedule II narcotics or Schedule III narcotics for whom a prescription is issued or for whom a drug is dispensed, or both; and*

(6) "Schedule II narcotics" means controlled substances that are placed in Schedule II under §5-64-205; and

(7) "Schedule III narcotics" means controlled substances that are placed in Schedule III under §5-64-207.

20-7-504. Requirements for the prescription drug monitoring program.

(a)(1) The Division of Health of the Department of Health and Human Services shall establish and maintain an electronic program for monitoring the prescribing and dispensing of all:

(A) Schedule II narcotics and Schedule III narcotics; and

(B) Any other drugs identified by the division as demonstrating a potential for abuse.

(2) The program shall be:

(A) An electronic database containing the information reported under this section;

(B) Be searchable by any field or combination of fields; and

(C) Include reported information in the database consistent with criteria established by the *Arkansas State Board of Pharmacy* with appropriate safeguards for ensuring the accuracy and completeness of the database.

(3) The division shall take appropriate security measures to protect the integrity of and access to the database.

(b)(1) Each dispenser shall submit to the division information regarding prescription drugs as specified by the Arkansas State Board of Pharmacy.

(2) The Arkansas State Board of Pharmacy shall define:

(A) The methods, including electronic means, by which information regarding each prescription included under subsection (a) of this section shall be submitted to the division; and

(B) The types of data that shall be submitted to the division.

(3) The data specified by the Arkansas State Board of Pharmacy under subdivision (b)(2)(B) of this section may include:

(A) The dispenser identification number;

(B) The date the prescription was filled;

(C) The prescription number;

(D) Whether the prescription is new or is a refill;

(E) For each drug dispensed:

(i) The National Drug Code number;

(ii) The quantity;

(iii) Whether the drug was dispensed as a refill of a prescription or as a first-time request;

(iv) The number of days' supply; and

(v) The patient identification number;

(F) The patient's:

(i) Name;

(ii) Address; and

(iii) Date of birth;

(G) The prescriber's identification number;

(H) The date the prescription was issued by the prescriber;

(I) The name of the person who received the prescription from the dispenser, if other than the patient;

(J) The source of payment for the prescription; and

(K) Other information the board many deem important to meet the requirements of this subchapter.

(c)(1) Each dispenser shall submit the information required under this section in accordance with transmission methods and frequency established by *the Arkansas State Board of Pharmacy.*

(2) The division shall require that each dispenser report the *required information at least every thirty (30) days, between the fifteenth and the last days of the month following the month the prescription was* dispensed.

(d)(1) The division may issue a waiver to a dispenser that is unable to submit prescription information by electronic means.

(2)(A) The waiver may permit the dispenser to submit prescription information by paper form or other means.

(B) The waiver shall require that information required in subsection (b) of this section be submitted in the alternative format.

20-7-505. Access to prescription information.

(a)(1) The prescription drug monitory program is a noncovered entity under the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. § 201, as it existed on January 1, 2007.

(2) However, to the extent not inconsistent with this subchapter, the requirements of the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. § 201, as it existed on January 1, 2007, apply to the prescription drug monitory program.

(b) Except as provided in subsections (c) – (e) of this section, the division shall ensure that the privacy and confidentiality of patients and patient information collected, recorded, transmitted, and maintained is not

disclosed.

(c)(1) Within thirty (30) days of receipt, the division shall review the prescription information required under this subchapter.

(2)(A) If there is reasonable cause to believe that a violation of law or breach of professional standards has occurred, the division shall notify the appropriate law enforcement or professional licensing, certification, or regulatory agency or entity.

(B) The division shall provide the agency or entity with any prescription monitoring program information that is required for an investigation.

(d) The division may provide data in the prescription monitoring program to the following:

(1) Persons authorized to prescribe or dispense controlled substances for the purpose of providing medical or pharmaceutical care for their patients;

(2) An individual who requests the individual's own prescription monitoring information in accordance with procedures established under § 16-46-106;

(3) The Arkansas State Medical Board;

(4) The Arkansas State Board of Pharmacy;

(5) The Arkansas State Board of Nursing;

(6) Other divisions of the Department of Health and Human Services; and

(7) If the local, state, and federal law enforcement or prosecutorial official presents a search warrant issued on probable cause by a court of competent jurisdiction, local, state, and federal law enforcement or prosecutorial officials engaged in the administration, investigation, or enforcement of the laws governing controlled substances.

20-7-506. Unlawful acts — Penalties — Exception.

(a) A person authorized to have prescription monitoring information *under this subchapter who knowingly discloses that information in a manner not authorized under this subchapter shall be* guilty of a Class A misdemeanor.

(b) A person authorized to have prescription monitoring information under this subchapter who uses that information in a manner or for a purpose

in violation of this subchapter shall be guilty of a Class B misdemeanor.

(c) A dispenser who knowingly fails to submit to the Division of Health of the Department of Health and Human Services prescription monitoring information as required by this subchapter or who knowingly submits incorrect prescription information shall be guilty of a Class C misdemeanor.

(d) A dispenser who uses or discloses confidential information received from the prescription monitoring program in a manner or for a purpose in violation of this subchapter shall be subject to disciplinary *action by the dispenser's licensing board.*

(e) Nothing in this section applies to a physician who does not use the program under this subchapter.

20-7-507. Rules.

(a) The State Board of Health shall promulgate rules necessary to implement this subchapter, including, but not limited to a provision for interoperability.

(b) The board shall apply to the Secretary of the federal Department of Health and Human Services for grants to implement this subchapter in *accordance with the National All Schedules Prescription Electronic Reporting Act of 2005, Pub. L. No. 109-60.*

(c) The board shall seek diligently to receive federal funds to implement this subchapter, *including* funds from the National All Schedules Prescription Electronic Reporting Act of 2005, Pub. L. *No. 109-60.*

(d) The rules promulgated under this subchapter shall ensure that no costs of the program established under this subchapter are charged to pharmacists or pharmacies.

20-7-508. Fund availability.

This subsection shall take effect only if funds are available as provided in § 20-7-507(c).

/s/ Altes