## CERTIFICATION OF ENROLLMENT

## SUBSTITUTE SENATE BILL 6558

64th Legislature 2016 Regular Session

Passed by the Senate March 7, 2016 Yeas 47 Nays 0	CERTIFICATE
President of the Senate	I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is <b>SUBSTITUTE SENATE</b> BILL 6558 as passed by Senate and the House of Representatives on the dates hereon set forth.
Passed by the House March 4, 2016 Yeas 97 Nays 0	dates hereon set forth.
	Secretary
Speaker of the House of Representatives	
Approved	FILED
Governor of the State of Washington	Secretary of State State of Washington

## SUBSTITUTE SENATE BILL 6558

## AS AMENDED BY THE HOUSE

Passed Legislature - 2016 Regular Session

State of Washington 64th Legislature 2016 Regular Session

By Senate Health Care (originally sponsored by Senators Parlette and Cleveland)

READ FIRST TIME 02/05/16.

- AN ACT Relating to allowing a hospital pharmacy license to include individual practitioner offices and multipracitioner clinics owned and operated by a hospital and ensuring such offices and clinics are inspected according to the level of service provided; amending RCW 18.64.043; and adding a new section to chapter 18.64 RCW.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 18.64 9 RCW to read as follows:
- The intent of this legislation is to make clear the legislature's directive to the commission to allow hospital pharmacy licenses to include individual practitioner offices and multipractitioner clinics
- 13 owned, operated, or under common control with a hospital and that
- 14 such offices and clinics are regulated, inspected, and investigated
- 15 according to the level of service provided. While legislation
- 16 providing for such a system was enacted in 2015, it has yet to be
- 17 implemented. The legislature wishes to specify a clear timeline for
- 18 implementation.
- 19 **Sec. 2.** RCW 18.64.043 and 2015 c 234 s 4 are each amended to
- 20 read as follows:

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(1) The owner of each pharmacy shall pay an original license fee to be determined by the secretary, and annually thereafter, on or before a date to be determined by the secretary, a fee to be determined by the secretary, for which he or she shall receive a license of location, which shall entitle the owner to operate such pharmacy at the location specified, or such other temporary location as the secretary may approve, for the period ending on a date to be determined by the secretary as provided in RCW 43.70.250 and 43.70.280, and each such owner shall at the time of filing proof of payment of such fee as provided in RCW 18.64.045 as now or hereafter amended, file with the ((department)) commission on a blank therefor provided, a declaration of ownership and location, which declaration of ownership and location so filed as aforesaid shall be deemed presumptive evidence of ownership of the pharmacy mentioned therein.

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(2)(a) For a hospital licensed under chapter 70.41 RCW, the license of location provided under this section may include any individual practitioner's office or multipractitioner clinic owned ((and)), operated ((by)), or under common control with a hospital, and identified by the hospital on the pharmacy application or renewal. ((A hospital that elects to include one or more offices or clinics under this subsection on its pharmacy application must maintain the office or clinic under its pharmacy license through at least one pharmacy inspection or twenty-four months. However, the department may, in its discretion, allow a change in licensure at an earlier time.)) The definition of "hospital" under RCW 70.41.020 to exclude "clinics, or physician's offices where patients are not regularly kept as bed patients for twenty-four hours or more, " does not limit the ability of a hospital to include individual practitioner's offices or multipractitioner clinics owned, operated, or under common control with a hospital on the pharmacy application or renewal or otherwise prevent the implementation of this act. A hospital that elects to include one or more offices or clinics under this subsection on its hospital pharmacy application shall describe the type of services relevant to the practice of pharmacy provided at each such office or clinic as requested by the commission. Any updates to the application, renewal, or related forms that are necessary to accomplish the provision of this licensure option must be made no later than ninety days after the effective date of this section. Nothing in this section limits the ability of a hospital to transfer drugs to another location consistent with federal laws and

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- RCW 70.41.490, regardless of whether or not an election has been made with respect to adding the receiving location to the hospital's pharmacy license under this section.
- (b) This chapter must be interpreted in a manner that supports 4 regulatory, inspection, and investigation standards that are 5 6 reasonable and appropriate based on the level of risk and the type of services provided in a pharmacy, including pharmacy services provided 7 in a hospital and pharmacy services provided in an individual 8 practitioner office or multipractitioner clinic owned, operated, or 9 under common control with a hospital regardless of the office or 10 clinic's physical address. The commission shall provide clear and 11 specific information regarding the standards to which particular 12 pharmacy services will be held, as appropriate, based on the type of 13 pharmacy service provided at a particular location. 14
- 15 <u>(c)</u> The secretary may adopt rules to establish an additional 16 reasonable fee for any such office or clinic.
- 17  $((\frac{(2)}{(2)}))$  (3) It shall be the duty of the owner to immediately 18 notify the  $((\frac{department}{(er)})$  commission of any change of location 19  $((\frac{er}{(er)}))$ , ownership, or licensure and to keep the license of location 20 or the renewal thereof properly exhibited in said pharmacy.
- $((\frac{3}{3}))$   $(\frac{4}{3})$  Failure to comply with this section shall be deemed a misdemeanor, and each day that said failure continues shall be deemed a separate offense.

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- ((4)) (5) In the event such license fee remains unpaid on the date due, no renewal or new license shall be issued except upon compliance with administrative procedures, administrative requirements, and fees determined as provided in RCW 43.70.250 and 43.70.280.
- (6) If the commission determines that rules are necessary for the 29 immediate implementation of the inspection standards described in 30 this section, it must adopt rules under the emergency rule-making 31 process in RCW 34.05.350, with such emergency rules effective not 32 later than ninety days after the effective date of this section. The 33 commission shall then begin the process to adopt any necessary 34 permanent rules in accordance with chapter 34.05 RCW. The commission 35 shall ensure that during the transition to the permanent rules 36 adopted under this section, an emergency rule remains in effect 37 without a break between the original emergency rule and any 38 39 subsequent emergency rules that may be necessary. The commission 40 shall ensure that during the transition to permanent rules there is

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- 1 no interruption in provision of the licensure option described under
- 2 this section.

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