



**House  
Legislative  
Analysis  
Section**

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**CURB PRESCRIPTION DRUG ABUSE**

**House Bill 4501 with committee amendments**  
Sponsor: Rep. Nate Jonker

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**House Bill 4570 as introduced**  
Sponsor: Rep. Sharon Gire

JUN 02 1987

**Committee: Public Health**  
**First Analysis (5-11-87)**

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**THE APPARENT PROBLEM:**

Illegal diversion of prescription drugs (for example, to be sold for profit to people to whom the drugs are not prescribed) has been a nationwide problem. According to a report by the U.S. Comptroller General, more Americans have abused or misused prescription drugs than they have illegal drugs such as cocaine, hallucinogens, or heroin.

A state committee known as "PADS" (Prescription Abuse Data Synthesis) was formed in 1983 by gubernatorial directive to coordinate the efforts and resources of state and federal agencies, law enforcement officials, and state professional associations in order to analyze the problem of prescription drug diversion in Michigan and to recommend solutions. The committee held a conference on prescription drug diversion and abuse in 1985 and published reports and recommendations in 1984 and 1985. With the cooperation of the Department of Licensing and Regulation, a number of the committee's recommendations have been developed into proposed legislation.

**THE CONTENT OF THE BILLS:**

House Bill 4501 would amend the Public Health Code to require that the quantity of a drug ordered in a prescription be written out as well as specified by a number (with preprinted numbers on the form allowed).

MCL 333.7333

Under the Public Health Code, a "licensee" (which is not defined in the code) can wholesale schedule 1 and 2 drugs to another "licensee" provided the former uses an order form that is in compliance with federal law. The bill would strike this provision and instead allow only "practitioners" (which includes, basically, physicians, pharmacists, pharmacies, hospitals, manufacturers or wholesalers, and researchers) who are licensed by the state Board of Pharmacy to buy schedule 1 or 2 drugs to prescribe or sell at retail. (Purchase forms still would have comply with federal law.)

MCL 333.7331

**FISCAL IMPLICATIONS:**

The House Fiscal Agency reports that there are no fiscal implications to the state for House Bill 4501. Fiscal information is not yet available on House Bill 4570. (5-11-87)

**ARGUMENTS:**

**For:**

According to U.S. Drug Enforcement Agency (DEA) data, in 1983 Michigan ranked number one among the states in per-capita consumption of commonly abused prescription drugs. By the second quarter of 1986 (the most recent date

for which DEA information is available), and after amphetamine rule amendments were proposed and adopted by the state Boards of Medicine and of Osteopathic Medicine and Surgery, Michigan's ranking of per-capita prescription drug consumption dropped dramatically in several categories.

The number of licensed practitioners engaged in illegal prescription drug diversion is small. The Michigan Board of Pharmacy reported in January, 1985, that only one to two percent, or about 220 to 440, practitioners (including pharmacists and physicians) are involved. By tightening prescription requirements and by tightening regulations governing those practitioners most likely to be involved in prescription drug diversion, the legislature can reduce this problem even further.

**For:**

One way individuals get excess quantities of prescription drugs for later, illegal sales, is by changing the quantities prescribed on legitimate prescription forms. For example, it is relatively easy to change a prescription for 30 capsules or tablets into one for 80 capsules or tablets simply by altering the "3" so that it looks like an "8". House Bill 4501 would make these kind of prescription forgeries more difficult and therefore less likely by requiring that drug quantities be indicated on prescription forms both in numerical terms and by being written out (much as checks are now written).

**For:**

Another way that excess quantities of prescription drugs find their way onto the illicit market is through unscrupulous distributors. Currently, individuals who are not necessarily licensed by the state Board of Pharmacy may distribute controlled substances using federal forms from the U.S. Drug Enforcement Administration. For example, if a non-licensed person bought a pharmacy from a licensed pharmacist, he or she could continue to buy and sell prescription drugs by using the federal forms left over by the previous owner. If a non-licensed owner of a pharmacy is caught buying prescription drugs for illegal diversion, he or she can close down one pharmacy and reopen another under a new name to continue diverting drugs. House Bill 4570 would close this loophole by requiring people who buy schedule 1 or 2 drugs (the two lists of restricted drugs for which federal forms exist) for prescription or sale to have a state controlled substance license.

**POSITIONS:**

The Department of Public Health does not yet have a position on the bills. (5-11-87)

H.B. 4501 & 4570 (5-11-87)

The Department of Licensing and Regulation has not yet taken a position on the bills. (5-11-87)

The Michigan State Medical Society has not taken a position on either bill. (5-11-87)

The Michigan Pharmacists Association does not oppose House Bill 4501, and supports House Bill 4570. (5-11-87)