Legislative Analysis



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PHARMACY TECHNICIANS: LICENSE

Senate Bill 92 (Substitute H-1) Sponsor: Sen. Mike Green

House Committee: Health Policy

Senate Committee: Regulatory Reform

Complete to 6-19-13

A SUMMARY OF SENATE BILL 92 AS REPORTED BY HOUSE COMMITTEE 6-11-13

The bill would require pharmacy technicians to be licensed under the Public Health Code.

In addition, the bill would create a licensure structure for pharmacy technicians, set license fees, reserve certain titles for licensees, revise the composition of the Michigan Board of Pharmacy, allow completion of continuing education courses to be a condition for license renewal, and define terms. The bill would take effect 90 days after enactment.

<u>Senate Bill 92</u> would amend the Public Health Code to specify that an individual performing certain functions is considered to be serving as a pharmacy technician and, with some exceptions, is required to be licensed under Part 177 (Pharmacy Practice and Drug Control).

License Requirement

Under the bill, a person who performed any of the following functions would be considered to be serving as a pharmacy technician and, except as otherwise provided in Part 177, would have to be licensed:

- o Assisting in the dispensing process.
- o Handling transfer of prescriptions, except controlled substances prescriptions.
- o Compounding drugs.
- o Preparing or mixing intravenous drugs for injection into a human or veterinary patient.
- o Contacting prescribers concerning prescription drug order clarification, not including drug regimen review or clinical or therapeutic interpretation.
- Receiving verbal orders for prescription drugs, except orders for controlled substances.
- o Subject to Section 16215 (which concerns the delegation of functions), performing any other function authorized under rules promulgated under Part 177.

The bill would define "pharmacy technician" as an individual who is required to hold a health profession subfield license under Part 177 to serve as a pharmacy technician.

Licensure Criteria

The Department of Licensing and Regulatory Affairs could license an individual as a pharmacy technician who met all of the following requirements:

- O Submitted a complete application to LARA on a form prescribed by the Department.
- Graduated from an accredited high school or comparable school or educational institution or passed the general educational development test or other graduate equivalency exam.
- Passed and submitted proof of passage of any of the examinations listed below, except as otherwise provided. Passage of any of following examinations would qualify an individual for licensure:
 - The Certified Pharmacy Technician Examination given by the Pharmacy Technician Certification Board.
 - The Certified Pharmacy Technician Examination given by the National Healthcareer Association.
 - Any other nationally recognized and administered certification exam approved by the Board of Pharmacy.
 - A Board-approved employer-based training program exam that covered the subjects listed in the bill (e.g., basic drug information, quality control procedures, state and federal laws and regulations regarding pharmacy technician duties, and drug record-keeping requirements).

In addition, an applicant for licensure would have to satisfy the requirements of Section 16174 of the code. (That section requires an individual who is licensed or registered under Article 15 (Occupations) of the code to be at least 18 years old; be of good moral character; have a specific education or experience in the health profession and/or training equivalent as prescribed by Article 15 or rules of a board; have a working knowledge of the English language; pay the appropriate fees; and have no disciplinary proceedings establish that disciplinary proceedings pending. An applicant for initial licensure or registration also must submit his or her fingerprints to the state police for a criminal history check.)

The examination requirement would not apply to an individual who met any of the following:

- o Is a student in a pharmacy technician program approved by the board, while performing duties assigned in the course of training.
- o Is applying for a temporary license under the bill.
- o Is applying for a limited license under the bill.

Temporary Licensure

The department could issue a temporary pharmacy technician license to an individual who was preparing for the examination required for licensure. A temporary license would expire 210 days after it was issued.

An individual requesting a temporary license would have to submit a completed application to LARA and pay the applicable fee. An individual holding a temporary license would be subject to all of the requirements of Part 177 and the rules promulgated under it, except the examination requirement.

Limited License

The department could issue a limited license as a pharmacy technician to an individual if all of the following were met:

- O The individual was employed as a pharmacy technician by a pharmacy on the bill's effective date and had been continuously employed by that pharmacy since that date. (The holder of a limited license could only act as a pharmacy technician for the employing pharmacy and could only hold the license until no longer employed by that pharmacy or went to work for another pharmacy.)
- o The individual submitted a completed application to LARA and met the requirements of Section 16174.
- o The individual provided documentation of satisfactory employment as a pharmacy technician for at least 1,000 hours during the two-year period immediately before the date of his or her application.
- o The applicable fee was paid.

The term of a limited license would be the same as the term of a pharmacy technician license. An individual holding a limited license would be subject to all of the requirements of Part 177 and the rules promulgated under it, except the examination requirement.

Continuing Education

The Board of Pharmacy could require a licensee seeking renewal of a pharmacy technician license to provide the board satisfactory evidence that, during the two years immediately before application for renewal, he or she had attended at least 20 hours of continuing education courses or programs, approved by the board, or satisfactorily completed a proficiency examination according to rules promulgated by the board.

Pharmacy Responsibilities

A pharmacy or dispensing prescriber that used the services of a pharmacy technician would have to ensure that all of the following requirements, as applicable, were met:

- The pharmacy technician was licensed or otherwise authorized to serve as a pharmacy technician under Part 177.
- o The pharmacy technician performed only the activities or functions that he or she was licensed or otherwise authorized to perform under Part 177 or rules promulgated under that part.
- Except as provided by rule, the pharmacy technician performed only those activities or functions under the supervision and personal charge of the pharmacist or dispensing prescriber.

An individual who was not a pharmacist, pharmacist intern, or pharmacy technician could not perform for a pharmacy any of the functions listed in the bill that would require licensure as a pharmacy technician. A pharmacist could not allow any individual employed or otherwise under the pharmacist's personal charge to violate this prohibition. A person who owned, managed, operated, or conducted a pharmacy also could not allow any individual employed or under the person's control to violate the prohibition.

Title Protection

Part 177 lists words, titles, and letters that may be used only by people authorized to use them. The bill would add the following to the list: "pharm.db" "doctor of pharmacy," "pharmacy intern," "pharmacy technician," "licensed pharmacy technician," "certified pharmacy technician," "cpht," and "dispensary."

Composition of Board of Pharmacy

Currently, the board consists of six pharmacists and five public members. The bill would reduce the number of public members to four and add one pharmacy technician.

License Fees

The application processing fee for a pharmacy technician would be \$25. The annual license fees would be \$30 for a pharmacy technician and \$10 for limited license for a pharmacy technician; a temporary license for pharmacy technician would be \$15.

An application fee and an annual license fee of \$50 and \$25, respectively, for a "clinical thermometer" would be deleted.

Definitions

Part 177 defines "practice of pharmacy" and describes professional functions associated with the practice. Under the bill, practice of pharmacy would include the direct or indirect provision of professional functions and services associated with the practice.

The bill would also revise the definition of "dispensing prescriber." Currently, the term means a prescriber, other than a veterinarian, who dispenses prescription drugs. Instead, the bill would define the term to mean a prescriber who is required to obtain a drug control license, or is excluded from that requirement, under Section 17745(1).

MCL 333.16333 et al.

FISCAL IMPACT:

Senate Bill 92 would have an indeterminate fiscal impact on the Department of Licensing and Regulatory Affairs (LARA) contingent on whether the revenue generated by the application and annual licensure fees (\$25 and \$30, respectively) would be sufficient to cover LARA's costs to administer a new occupational licensure program.

According to data collected for the federal Bureau of Labor Statistics, there were approximately 13,190 pharmacy technicians employed within the state of Michigan as of

May 2012. Assuming that this number is still accurate and will remain so for the foreseeable future and that each individual employed as a pharmacy technician pursues and is approved for licensure, the application processing fee would generate approximately \$330,000 during the initial year for which SB 92 is effective and significantly lesser amounts depending on how many individuals enter the profession in subsequent years. In addition, the annual licensure fee would generate approximately \$395,000 per year. The revenue generated from licensure fees for temporary and limited licenses for pharmacy technicians is indeterminate, but it would be substantially less than and generally track with the amount of revenue generated by the annual licensure fees for pharmacy technicians. Officials representing LARA have indicated that the department supports the fee amounts prescribed in SB 92.

Finally, SB 92 would also have a likely nominal negative fiscal impact on LARA to the extent that the department would no longer collect application and annual licensure fees for approval of clinical thermometers.

POSITIONS:

The Michigan Veterinarian Medical Association indicated support for the bill. (6-11-13)

Representatives of the Michigan Pharmacists Association and Michigan Primary Care Association testified in support of the bill. (6-4-13)

The following organizations indicated support for the bill on 6-4-13:

The Michigan Society of Pharmacy Technicians
The Department of Licensing and Regulatory Affairs
Michigan State Medical Society (MSMS)
MidMichigan Health
Michigan Health & Hospital
The Michigan Council of Nurse Practitioners
The Michigan Association of Health Plans
Sparrow Health System

Legislative Analyst: Susan Stutzky Fiscal Analyst: Paul Holland

[■] This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.