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BILL ANALYSIS



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House Bill 4408 (Substitute H-3 as passed by the House)
House Bill 4999 (Substitute H-1 as passed by the House)
Sponsor: Representative Kathy Crawford (H.B. 4408)
Representative Edward McBroom (H.B. 4999)
House Committee: Agriculture
Senate Committee: Agriculture

Date Completed: 2-11-16

CONTENT

House Bill 4408 (H-3) would amend Part 188 (Veterinary Medicine) of the Public Health Code to require a licensee seeking renewal of a veterinarian's license or a veterinary technician's license to furnish the Department of Licensing and Regulatory Affairs with evidence that he or she had attended at least 45 hours or 15 hours, respectively, of continuing education during the preceding three years.

House Bill 4999 (H-1) would amend Article 7 (Controlled Substances) and Article 15 (Occupations) of the Public Health Code to do the following:

- Prohibit a practitioner from dispensing a prescription written by a veterinarian prescriber licensed to practice in another state unless the prescription was issued by a veterinarian prescriber authorized under that state's law to practice veterinary medicine and to prescribe controlled substances.
- Increase application and license fees for a veterinarian's license and a veterinary technician's license, effective December 31, 2018.
- Specify that the term "prescription" would apply to an order for a drug written and signed by a veterinarian prescriber licensed to practice veterinary medicine in another state.
- Allow a pharmacist to dispense a prescription ordered a veterinarian prescriber in another state, if the pharmacist determined that the prescription met certain conditions.
- Allow the Department of Licensing and Regulatory Affairs to deliver or serve a communication by electronic mail if a licensee or registrant provided an electronic mail address to the Department and authorized it in writing to deliver communications at that address.
- Allow the Department to send a renewal notice by electronic mail if the licensee or registrant authorized it.

The bills are tie-barred, and each bill would take effect 90 days after its enactment.

House Bill 4408 (H-3)

Part 188 of the Code prohibits a person from engaging in the practice of veterinary medicine or from practicing as a veterinary technician without a license. The bill would require a licensee seeking renewal of a veterinarian's license, if requested, to furnish the Department with satisfactory evidence that during the three years immediately preceding the application for

renewal, he or she attended at least 45 hours of continuing education courses or programs approved by the Board of Veterinary Medicine.

A licensee seeking renewal of a veterinary technician's license would have to furnish the Department, if requested, with satisfactory evidence that during the three years immediately preceding the application for renewal, he or she attended at least 15 hours of continuing education courses or programs approved by the Board.

The bill specifies that the license cycle for a veterinarian's license and a veterinary technician's license would be three years.

House Bill 4999 (H-1)

Prohibited Conduct

Article 7 of the Public Health Code requires a person who manufactures, distributes, prescribes, or dispenses a controlled substance, or who proposes to engage in those activities, in Michigan to obtain a license issued by the Michigan Board of Pharmacy. The article also prohibits a person from engaging in certain conduct with respect to controlled substances. If the person is a practitioner (e.g., a prescriber or pharmacist), he or she is prohibited from dispensing a controlled substance under a prescription written by a physician prescriber or dentist prescriber licensed to practice in another state, unless the prescription is issued by a physician prescriber or dentist prescriber authorized under that state's law to practice dentistry, medicine, or osteopathic medicine and surgery, and to prescribe controlled substances.

The bill would extend this prohibition to a prescription written by a veterinarian prescriber licensed to practice in another state, unless the veterinarian prescriber was authorized under that state's law to practice veterinary medicine and to prescribe controlled substances.

Notice by Electronic Mail

Under the bill, if the Department were required or permitted to deliver or serve a notice or other communication to a licensee or registrant by mail, the Department could deliver or serve the notice or communication by electronic mail rather than by first-class mail if the licensee or registrant had provided an electronic mail address to the Department; authorized the Department in writing to deliver or serve notices and communications to the licensee or registrant at the electronic mail address; and agreed in writing that the licensee or registrant consented to the service of any notice or communication sent to the electronic mail address that the Department would otherwise serve by mail.

The Code requires a licensee or registrant to report to the Department a change in name or mailing address within 30 days of the change. Under the bill, a licensee also would have to report a change in electronic mail address within 30 days if the licensee or registrant had provided an electronic email address.

The Code requires a licensee or registrant to renew the license or registration on or before its expiration date. The Department must mail a notice to the licensee or registrant at the last known address on file with a board, advising of the time, procedure, and fee for renewal. The bill would allow the Department to send the notice by electronic mail if the licensee or registrant authorized it as described above.

Application & License Fees

The Code establishes the fees for a person licensed or seeking licensure to engage in the practice of veterinary medicine or to practice as a veterinary technician. The bill would increase those fees, as follows:

- Application processing fee, veterinarian: \$20 to \$25.
- Application processing fee, veterinary technician: \$10 to \$15.
- Annual license fee, veterinarian: \$50 to \$75.
- Annual license fee, veterinary technician: \$20 to \$40.

These increases would apply to licensing fees required to be paid after December 31, 2018.

Prescriptions

The Code defines "prescription" as an order by a prescriber to fill, compound, or dispense a drug or device written and signed; written or created in an electronic format, signed and transmitted by facsimile; or transmitted electronically or by other means of communication. "Prescription" includes an order for a drug, not including a controlled substance except under certain circumstances, written and signed; written or created in an electronic format, signed and transmitted by facsimile; or transmitted electronically or by other means of communication, by a physician prescriber or dentist prescriber licensed to practice dentistry, medicine, or osteopathic medicine and surgery in another state. Under the bill, the term also would apply to an order for a drug written and signed by a veterinarian prescriber licensed to practice veterinary medicine in another state.

The Code permits a pharmacist to dispense a prescription written and signed; written or created in an electronic format, signed and transmitted by facsimile; or transmitted electronically or by other means of communication, by a physician prescriber or dentist prescriber in another state, not including a prescription for a controlled substance, only if the pharmacist in the exercise of his or her professional judgment determines the following:

- Except as otherwise authorized, that the prescription was issued under an existing physician-patient or dentist-patient relationship.
- The prescription is authentic.
- The prescribed drug is appropriate and necessary for the treatment of an acute, chronic, or recurrent condition.

Under the bill, a pharmacist could dispense a prescription written and signed by a veterinarian prescriber in another state, if the pharmacist determined that the prescription was authentic, and was appropriate and necessary for the treatment of an acute, chronic, or recurrent condition. The determination of a physician-patient or dentist-patient relationship would apply if the prescriber were a physician or a dentist.

The Code authorizes a disciplinary subcommittee to fine, reprimand, or place a pharmacist licensee on probation, or deny, limit, suspend, or revoke a pharmacist license, or order restitution or community service for a violation of Part 177 (Pharmacy Practice and Drug Control) or rules promulgated under Part 177, or for other specific grounds, including dispensing a controlled substance under a prescription written by a physician prescriber or dentist prescriber licensed to practice in another state, unless the prescription is issued by a physician prescriber or dentist prescriber authorized under that state's law to practice dentistry, medicine, or osteopathic medicine and surgery, and to prescribe controlled substances. The bill also would refer to a veterinarian prescriber authorized to practice veterinary medicine.

Proposed MCL 333.18813 (H.B. 4408)
MCL 333.7405 et al. (H.B. 4999)

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bills would have a positive fiscal impact on the Department of Licensing and Regulatory Affairs and no fiscal impact on local units of government. Section 16317 of the Public Health Code allows the Department of Licensing and Regulatory Affairs to adjust health professions

fees to reflect changes in State employee wage costs. Currently, the fee to renew a veterinarian license is \$55 per year, and per-year the renewal fee is \$25 for a veterinarian technician. Increasing these fees to \$70 and \$40, respectively, would generate approximately an additional \$100,000 each year beginning in 2019, which would support the licensure of health professionals. Currently, the licensure of veterinarians operates at a loss of approximately \$27,000 per year, so it is effectively subsidized by fees paid by other health professionals. The change in license application fees in the bill would have no fiscal impact as those fees are identical to what is already charged under the provisions of Section 16317.

Fiscal Analyst: Josh Sefton

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.