

# HOUSE BILL REPORT

## HB 1163

---

*As Reported By House Committee on:  
Health Care*

**Title:** An act relating to controlled substances.

**Brief Description:** Devising reporting procedures for Schedule II controlled substances.

**Sponsor(s):** Representatives Cole, Prentice, Braddock, Jacobsen, Winsley, Brekke, R. King, Leonard, Valle and Sprenkle.

**Brief History:**

Reported by House Committee on:  
Health Care, March 4, 1991, DPS.

---

**HOUSE COMMITTEE ON  
HEALTH CARE**

**Majority Report:** *That Substitute House Bill No. 1163 be substituted therefor, and the substitute bill do pass.* Signed by 10 members: Representatives Braddock, Chair; Day, Vice Chair; Moyer, Ranking Minority Member; Casada, Assistant Ranking Minority Member; Cantwell; Franklin; Morris; Paris; Prentice; and Sprenkle.

**Minority Report:** *Do not pass.* Signed by 1 member: Representative Edmondson.

**Staff:** John Welsh (786-7133).

**Background:** The Board of Pharmacy regulates the practice of pharmacy and the dispensing of drugs in this state, including controlled substances.

However, there is currently no centralized system established for reporting and monitoring the prescriptions of Schedule II controlled substances written by health providers for their patients.

Schedule II controlled substances are those drugs that have currently accepted medical use in treatment, but with a high potential for abuse that may lead to severe psychic or physical dependence.

There are concerns that the over-prescribing of these dangerous drugs results in their diversion for illicit and illegal purposes.

**Summary of Substitute Bill:** A centralized reporting system is established to track the dispensing of Schedule II controlled substances that will rely principally on the electronic transfer of prescription data from the dispenser, usually a pharmacy, directly to a data processor. Forms will be used to transmit data only from health practitioners who dispense these drugs directly to patients, and non-computerized pharmacies. Investigative follow-up will be performed when health prescribers or patients exceed norms for prescribing established by the state.

Effective July 1, 1992, dispensers of Schedule II controlled substances must transmit to a central repository, designated by the Board of Pharmacy, specified information about the drugs dispensed, including the identification of the dispenser or health prescriber, the identity of the recipient, and the quantity of the drug.

However, the reporting of stimulants intended for the treatment of narcolepsy is not required. The board is to study and make recommendations to the Legislature by December 1, 1991, on the need to include the reporting of stimulants.

The information is to be transmitted by electronic means or on a universal form, specified by the board, within 15 days of the dispensing of the drug. A willful failure to report this data is punishable as a misdemeanor.

The board is required to develop criteria for the production of exception reports to indicate which drugs are being prescribed or dispensed outside expected norms.

The board is authorized to establish a central repository which is capable of providing timely and readily usable information about the dispensing of drugs on a 24-hour basis, and that is secure against unauthorized access.

The board is additionally authorized to adopt rules to implement these requirements.

The board is required to report to the Legislature by December 1, 1991, on alternative methods for controlling over-prescribing of controlled substances, and any improvements that can make the reporting system more effective.

**Substitute Bill Compared to Original Bill:** The effective date for the implementation of the reporting law is deferred to July 1, 1992, pending a study and report to the Legislature on December 1, 1991, concerning better alternatives for achieving the goals of the bill. Stimulants for narcoleptics are excluded from the reporting requirements, but the Board of Pharmacy is required to study the need for including these drugs and report to the Legislature by December 1, 1991. The pharmacists in hospitals and nursing homes serving in-patients are excluded from the reporting requirements. Housekeeping and technical changes are made.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** Ninety days after adjournment of session in which bill is passed, but the requirement for reporting the dispensing of controlled substances takes effect on January 1, 1992.

**Testimony For:** The over-prescribing of very dangerous drugs, with a high potential for abuse leading to severe psychic or physical dependence, results in their diversion for illicit and illegal purposes. Drug abuse permeates every element of society, affecting law enforcement, education, public safety, family relations, interpersonal violence, public health and its costs. In Oklahoma, where this reporting system originated, prescriptions for controlled substances dropped 40 to 50 percent.

**Testimony Against:** The burden of this bill falls mainly on the pharmacists who must do the reporting of these prescriptions. The bill will cost money to implement, beyond the cost to taxpayers. The statewide cost to pharmacies in this state is estimated to be between \$600,000 and \$1,000,000. The reporting system should exclude the dispensing of drugs to hospital and nursing home in-patients, since diversion is not the problem here. A patient's rights to confidentiality of health records should be protected.

**Witnesses:** Don Williams, Pharmacy Board; Susie Tracy, Washington State Medical Association (pro); Neris Palunas, Washington State Pharmacists Association; Lars Hennem, Pharmacists of Washington (pro); and Robb Menaul, Washington State Hospital Association (pro).