## FINAL BILL REPORT SSB 6558

## C 118 L 16

Synopsis as Enacted

**Brief Description**: Allowing a hospital pharmacy license to include individual practitioner offices and multipractitioner clinics owned and operated by a hospital and ensuring such offices and clinics are inspected according to the level of service provided.

**Sponsors**: Senate Committee on Health Care (originally sponsored by Senators Parlette and Cleveland).

Senate Committee on Health Care House Committee on Health Care & Wellness

**Background**: The 2015 Legislature passed ESSB 5460 which allowed hospitals to transfer medications to their clinics, and allowed the hospital license to include any individual practitioner's office or multipractitioner clinic owned and operated by a hospital to be identified by the hospital on the hospital pharmacy license application or renewal. The 2015 legislation was intended to streamline the regulatory process and to avoid individually licensing all hospital owned clinics and practices as pharmacies. The Washington State Pharmacy Quality Assurance Commission (PQAC) regulates the practice of pharmacy and the distribution, manufacturing, and delivery of pharmaceuticals. PQAC has held stakeholder conversations about the bill but has not initiated formal rule making to implement the new provisions. Stakeholder conversations have identified some areas that may need further clarification.

**Summary**: A hospital that elects to include one or more offices or clinics under its pharmacy license no longer must maintain the office or clinic through at least one pharmacy inspection or 24 months. The definition of the hospital that excludes clinics, or physician's offices where patients are not regularly kept for 24-hours, does not limit the ability of the hospital to include individual practitioner's offices or clinics owned and operated by a hospital on the pharmacy application or renewal. A hospital that elects to include one or more offices or clinics must describe the type of services relevant to the practice of pharmacy provided at each location, as requested by the Commission. Any updates required for the application forms to accomplish the licensure option must be made no later than 90 days after the effective date of this section.

The law must be interpreted in a manner that supports regulatory, inspection, and investigation standards that are reasonable and appropriate based on the level of risk and the type of services provided in a pharmacy. PQAC must provide clear and specific information

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regarding the standards to which particular pharmacy services will be held, as appropriate, based on the type of pharmacy services provided at each location.

If PQAC determines that rules are necessary for the immediate implementation of the inspection standards, it must adopt emergency rules not later than 90 days after the effective date of this section. DOH must ensure that the emergency rules remain in effect while the permanent rules are developed with no interruption in the licensure option.

## **Votes on Final Passage:**

Senate 49 0

House 97 0 (House amended) Senate 47 0 (Senate concurred)

**Effective:** June 9, 2016