



Hundredth Legislature - Second Session - 2008
Revised Committee Statement
LB 308

Hearing Date: January 25, 2007
Committee On: Health and Human Services

Introducer(s): (Stuthman)
Title: Adopt the Automated Medication System Act

Roll Call Vote – Final Committee Action:

- Advanced to General File
 - X Advanced to General File with Amendments
 - Indefinitely Postponed
-

Vote Results:

7	Yes	Senators Johnson, Erdman, Gay, Hansen, Howard, Pankonin, Stuthman
	No	
	Present, not voting	
	Absent	

Proponents:

Joe Davis

 Allen Van Driel

 Joni Cover
 Ken Kester
 Kevin Borchert

Representing:

Sutton Medical Clinic
 Mary Lanning Memorial Hospital
 Harlan County Health System
 Nebraska Hospital Association
 Nebraska Pharmacists Association
 Nebraska Pharmacists Association
 Nebraska Pharmacists Association
 Nebraska Board of Pharmacy

Opponents:

Shannon Anderson

Representing:

Alegent Health

Neutral:

Representing:

Summary of purpose and/or changes:

LB 308 adopts the Automated Medication System Act. Section 1 names the act. Section 2 defines terms, including but not limited to: (1) “automated distribution machine” (ADM), (2) “automated medication system” (AMS), (3) “coordinating pharmacy,” (4) “pharmacist remote order entry,” (5) “pharmacy care,” (6) “prescription dispensing machine” (PDM), (7) “repackaging machine” (RM), (8) “satellite pharmacy,” and (9) “telepharmacy.”

Section 3 provides that all events involving the contents of an AMS must be stored in a secure location and may be electronically recorded. An AMS may only be utilized in health care facilities licensed under the Health Care Facility Licensure Act and only in settings where there is an established program of pharmacy care. An AMS may be utilized in conjunction with telepharmacy. Medication vending machines and medication kiosks are prohibited.

Section 4 requires that medications in an ADM be stocked by a pharmacist, pharmacy technician, or pharmacist intern.

Section 5 provides duties of a pharmacist in charge with respect to an AMS.

Section 6 provides guidelines regarding written policies and procedures for the operation of an AMS.

Section 7 requires that the stocking of all medications in a PDM or a RM be performed by a pharmacist, a pharmacy technician, or a pharmacist intern.

Section 8 permits a pharmacy or hospital to use an AMS if the pharmacy or hospital develops and maintains a policy and procedure manual that includes compliance with a quality assurance program. An ongoing quality assurance program must be developed and implemented that monitors performance of the system. The program must have written policies and procedures developed by the pharmacist in charge.

Section 9 prescribes duties for a pharmacist who provides pharmacist remote order entry from within the United States.

Section 10 provides for the licensure of satellite pharmacies and duties of a coordinating pharmacy with respect to such pharmacies. A coordinating pharmacy may not be granted a license for more than three satellite pharmacies which are open simultaneously.

Section 11 provides duties for the pharmacist in charge of a coordinating pharmacy.

Section 12 provides for permissible activities of a pharmacy technician at a satellite pharmacy.

Section 13 provides that a pharmacy may operate an ADM in a long-term care hospital, hospital, nursing facility, or skilled nursing facility, and conditions for such operation are prescribed.

Section 14 provides criminal penalties for persons who violate the act.

Section 15 amends section 71-1,143.03 to specifically authorize a pharmacist to engage in the practice of telepharmacy.

The bill outright repeals sections 71-1,147.15 and 71-1,147.16.

Explanation of amendments, if any:

The committee amendment (AM 2016) replaces the bill as introduced and narrows its scope and application. The amendment adopts the Automated Medication Systems Act. The amendment defines terms (section 2).

The amendment prohibits “any automated machine that dispenses, delivers, or makes available, other than by administration, prescription medication directly to a patient or caregiver (section 3).

The amendment requires a hospital or pharmacy that uses an automated medication system to develop, maintain, and comply with policies and procedures developed in consultation with the pharmacist responsible for pharmacist care for that hospital or pharmacy. At a minimum, the policies and procedures must address (1) The description and location within the hospital or pharmacy of the automated medication system or equipment being used; (2) The name of the individual or individuals responsible for implementation of and compliance with the policies and procedures; (3) Medication access and information access procedures; (4) Security

of inventory and confidentiality of records in compliance with state and federal laws, rules, and regulations; (5) A description of how and by whom the automated medication system is being utilized, including processes for filling, verifying, dispensing, and distributing medications; (6) Staff education and training; (7) Quality assurance and quality improvement programs and processes; (8) Inoperability or emergency downtime procedures; (9) Periodic system maintenance; and (10) Medication security and controls (section 4).

The amendment provides that a prescription medication distribution machine may be operated only in a licensed pharmacy where a pharmacist dispenses medications to patients for self-administration pursuant to a prescription (section 5).

The amendment provides that an automated medication distribution machine may be operated only in a hospital for medication administration pursuant to a chart order by a licensed health care professional. Drugs placed in an automated medication distribution machine must be in the manufacturer's original packaging or in containers repackaged in compliance with state and federal laws, rules, and regulations relating to repackaging, labeling, and record keeping. Inventory transferred to an automated medication distribution machine in a hospital must be excluded from the percent of total prescription drug sales revenue described in section 71-7454 (section 6).

The amendment requires that a pharmacist providing pharmacist remote order entry (1) be located within the United States; (2) maintain adequate security and privacy in accordance with state and federal laws, rules, and regulations; (3) be linked to one or more hospitals or pharmacies for which services are provided via computer link, video link, audio link, or facsimile transmission; (4) have access to each patient's medical information necessary to perform via computer link, video link, or facsimile transmission a prospective drug utilization review as specified before December 1, 2008, in section 71-1,147.35 and on or after December 1, 2008, in section 38-2869; and (5) be employed by or have a contractual agreement to provide such services with the hospital or pharmacy where the patient is located (section 7).

Violators of the Automated Medication Systems Act are made subject to disciplinary action by the Division of Public Health of the Department of Health and Human Services under the Health Care Facility Licensure Act, the Uniform Licensing Law, or the Uniform Credentialing Act.

The amendment permits a pharmacist to engage in telepharmacy, unless specifically limited by the Board of Pharmacy or the Department of Health and Human Services.

The amendment outright repeals section 38-28,102, and contains an emergency clause.

Senator Joel Johnson, Chairperson