

## Department of Consumer Affairs

### Title 16. Board of Pharmacy

#### Proposed Regulation Text

Amend Section 1708.2 of Article 11 of Division 17 of Title 16 of the California Code of Regulations to read as follows:

§ 1708.2. Discontinuance of Business/Notice of Closure.

(a) Any permit holder shall contact the Board prior to transferring or selling any dangerous drugs, devices, or hypodermics inventory as a result of termination of business or bankruptcy proceedings (individually or collectively referred to as a "closure") and shall follow official instructions given by the Board applicable to the transaction. For purposes of this section, a "closure" includes the cessation or substantial cessation of the business.

(b) In addition to the requirements in subsection (a), a pharmacy that shall cease operations due to a closure shall complete the following:

(1) At least 45 days in advance of the closure, provide written notice to patients that have received a prescription within the last year, in a form in which the pharmacy regularly communicates or advertises to its patients. At a minimum, this notice shall include:

(A) the name of the patient and if one exists and is known to the pharmacy, the name of the legal representative of the patient,

(B) the name and physical address of the pharmacy closure,

(C) the name of the pharmacy where patient records will be transferred and maintained, and

(D) information on how to request a prescription transfer prior to closure of the pharmacy.

(2) Reverse all prescriptions for which reimbursement was sought but the prescriptions are not picked up by patients,

(3) Provide the Board with a copy of the notice specified in subsection (b)(1), and

(4) The owner shall be responsible for compliance with the requirements of this section. The owner, or the pharmacist-in-charge if available, shall certify

compliance with the requirements in this section. In the event the pharmacist-in-charge is no longer available, the owner must certify the compliance, along with a pharmacist retained to perform these functions.

(5) Post a written notice of the closure, which shall include the planned closure date, in a conspicuous location at the pharmacy's entrance.

(c) The following pharmacies shall be exempt from the requirements of subsection (b):

(1) A general acute care hospital pharmacy that is owned by a health facility as defined in Section 1250 of the Health and Safety Code; and

(2) A licensed correctional pharmacy dispensing only to patients of the California Department of Corrections and Rehabilitation.

(d) An outsourcing facility that ceases operations within or into California shall complete the following:

(1) At least 90 days in advance of the cessation of business as described in subsection (d), provide written notice to customers that have received compounded preparations within the last year, in a form in which the outsourcing facility regularly communicates or advertises to its customers.

(2) Provide the Board with a copy of the notice specified in subsection (d)(1).

(3) The owner of the outsourcing facility shall be responsible for compliance with the requirements of this section. The owner shall provide written notification to the Board, certifying compliance with the requirements of this section. The certification shall be provided to the Board within 30 days of the facility's cessation of business operations as described in subsection (d).

(4) Post a written notice of the cessation of business, which shall include the planned date of cessation of business operations, on public facing websites where orders are placed.

Note: Authority cited: Section 4005, Business and Professions Code. Reference: Sections 4080, 4081, 4113, 4129, 4332, and 4333, Business and Professions Code; and Section 11205, health and Safety Code.

Attachment 2b

Changes highlighted

## Department of Consumer Affairs

### Title 16. Board of Pharmacy

#### Proposed Regulation Text

Note: This version illustrates the changes from the last version highlighted in yellow.

Amend Section 1708.2 of Article 11 of Division 17 of Title 16 of the California Code of Regulations to read as follows:

§ 1708.2. Discontinuance of Business/Notice of Closure.

(a) Any permit holder shall contact the Board prior to transferring or selling any dangerous drugs, devices, or hypodermics inventory as a result of termination of business or bankruptcy proceedings (individually or collectively referred to as a "closure") and shall follow official instructions given by the Board applicable to the transaction. For purposes of this section, a "closure" includes the cessation or substantial cessation of the business.

(b) In addition to the requirements in subsection (a), a pharmacy that shall cease operations due to a closure shall complete the following:

(1) At least 45 days in advance of the closure, provide written notice to patients that have received a prescription within the last year, in a form in which the pharmacy regularly communicates or advertises to its patients. At a minimum, this notice shall include:

(A) the name of the patient and if one exists and is known to the pharmacy, the name of the legal representative of the patient,

(B) the name and physical address of the pharmacy closure,

(C) the name of the pharmacy where patient records will be transferred and maintained, and

(D) information on how to request a prescription transfer prior to closure of the pharmacy.

(2) Reverse all prescriptions for which reimbursement was sought but the prescriptions are not picked up by patients,

(3) Provide the Board with a copy of the notice specified in subsection (b)(1), and

(4) The owner shall be responsible for compliance with the requirements of this section. The owner, or the pharmacist-in-charge if available, shall certify compliance with the requirements in this section. In the event the pharmacist-in-charge is no longer available, the owner must certify the compliance, along with a pharmacist retained to perform these functions.

(5) Post a written notice of the closure, which shall include the planned closure date, in a conspicuous location at the pharmacy's entrance.

(c) The following pharmacies shall be exempt from the requirements of subsection (b):

(1) A general acute care hospital pharmacy that is owned by a health facility as defined in Section 1250 of the Health and Safety Code; and

(2) A licensed correctional pharmacy dispensing only to patients of the California Department of Corrections and Rehabilitation.

(d) An outsourcing facility that ceases operations within or into California shall complete the following:

(1) At least 90 days in advance of the cessation of business as described in subsection (d), provide written notice to customers that have received compounded preparations within the last year, in a form in which the outsourcing facility regularly communicates or advertises to its customers.

(2) Provide the Board with a copy of the notice specified in subsection (d)(1).

(3) The owner of the outsourcing facility shall be responsible for compliance with the requirements of this section. The owner shall provide written notification to the Board, certifying compliance with the requirements of this section. The certification shall be provided to the Board within 30 days of the facility's cessation of business operations as described in subsection (d).

(4) Post a written notice of the cessation of business, which shall include the planned date of cessation of business operations, on public facing websites where orders are placed.

Note: Authority cited: Section 4005, Business and Professions Code. Reference: Sections 4080, 4081, 4113, 4129, 4332, and 4333, Business and Professions Code; and Section 11205, health and Safety Code.