HOUSE BILL 1410

J2 4lr3225

By: **Delegate Bromwell (By Request)**
Introduced and read first time: February 13, 2014
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

AN ACT concerning

Sterile Compounding Permits – Exemptions – Sterile Compounding Facilities That Only Compound for Immediate Use

FOR the purpose of authorizing, under certain circumstances, the State Board of Pharmacy to exempt a certain sterile compounding facility from a certain permit requirement; providing that a sterile compounding facility that receives a certain exemption is subject to inspection by the Board; authorizing the Board to withdraw an exemption under certain circumstances; providing that, under certain circumstances, a sterile compounding facility that has received a certain exemption is subject to disciplinary action by the appropriate regulatory board; and generally relating to exemptions from the sterile compounding permit requirement.

BY repealing and reenacting, with amendments,
Article – Health Occupations
Section 12–4A–02
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Health Occupations

12–4A–02.

(a) **[**A**]** **EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A** sterile compounding facility shall hold a sterile compounding permit issued by the Board before the sterile compounding facility may perform sterile compounding in the State.

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.

(B) (1) THE BOARD MAY EXEMPT A STERILE COMPOUNDING FACILITY THAT ONLY PERFORMS STERILE COMPOUNDING IN THE STATE FOR IMMEDIATE USE, AS DEFINED BY USP 797, FROM THE PERMIT REQUIREMENT IN SUBSECTION (A) OF THIS SECTION IF THE STERILE COMPOUNDING FACILITY:

(I) REQUESTS AN EXEMPTION ON A FORM THE BOARD REQUIRES;

(II) ATTESTS TO COMPLIANCE WITH USP 797 STANDARDS FOR IMMEDIATE USE, INCLUDING:

1. THE USE OF ASEPTIC TECHNIQUES;

2. THE USE OF QUALITY ASSURANCE MEASURES;

3. PERSONNEL TRAINING; AND

4. THE USE OF APPROPRIATE GARBING; AND

(III) PAYS A FEE SET BY THE BOARD FOR THE REVIEW OF THE REQUEST.

(2) A STERILE COMPOUNDING FACILITY THAT RECEIVES AN EXEMPTION UNDER PARAGRAPH (1) OF THIS SUBSECTION IS SUBJECT TO INSPECTION BY THE BOARD.

(3) THE BOARD MAY WITHDRAW AN EXEMPTION IF A STERILE COMPOUNDING FACILITY:

(I) FAILS TO COMPLY WITH USP 797; OR

(II) FAILS TO COOPERATE WITH A BOARD INSPECTION.

(4) IF A STERILE COMPOUNDING FACILITY THAT RECEIVED AN EXEMPTION UNDER PARAGRAPH (1) OF THIS SUBSECTION FAILS TO COMPLY WITH USP 797, THE STERILE COMPOUNDING FACILITY IS SUBJECT TO DISCIPLINARY ACTION BY THE APPROPRIATE REGULATORY BOARD.

[(b)**] (C)** A sterile compounding permit is required in addition to and does not replace any other permit or license a sterile compounding facility holds.

[(c)**] (D)** A sterile compounding facility that performs sterile compounding outside the State shall hold a sterile compounding permit issued by the Board before

the sterile compounded preparations of the sterile compounding facility are dispensed in the State.

[(d)**] (E)** A separate sterile compounding permit is required for each site at which sterile compounding is performed.

[(e)**] (F)** A sterile compounding permit is not transferable.

[(f)**] (G)** A person that prepares and distributes sterile drug products into or within the State:

(1) Is not required to hold a sterile compounding permit under subsection (a) or **[**(c)**] (D)** of this section; and

(2) Shall hold:

(i) A manufacturer's permit or other permit designated by the U.S. Food and Drug Administration to ensure the safety of sterile drug products; and

(ii) A wholesale distributor's permit issued by the Board under Subtitle 6C of this title.

[(g)**] (H)** (1) The Board may waive any requirements of this subtitle, including the requirements of subsection **[**(f)**] (G)** of this section, in accordance with regulations adopted by the Board.

(2) A waiver may be issued to a sterile compounding facility or a person described in subsection **[**(f)**] (G)** of this section only:

(i) For specified sterile compounded preparations or sterile drug products for which there is a clinical need, as determined by the Board with input from health care providers in the State;

(ii) In exigent circumstances that, as determined by the Board, otherwise prevent health care providers from obtaining, in the size and strength needed, the specified sterile compounded preparations or sterile drug products under item (i) of this paragraph; and

(iii) If the sterile compounding facility or person described in subsection **[**(f)**] (G)** of this section meets requirements established by the Board, including:

1. Provision of:

A. Reports of inspections conducted by a designee or the U.S. Food and Drug Administration;

B. A statement of compliance with USP 797; and

C. A review of adverse regulatory action; and

2. Any other requirement as determined by the Board.

(3) (i) The Board shall post on its Web site any waiver issued under this subsection.

(ii) For each waiver posted on its Web site, the Board shall include:

1. The name of the sterile compounding facility or other person receiving the waiver;

2. The sterile compounded preparation or sterile drug product for which the waiver is issued;

3. The basis for issuing the waiver;

4. The duration of the waiver; and

5. Any other information relating to the waiver or limitations on the waiver determined appropriate by the Board.

(4) Any waiver issued by the Board:

(i) May not exceed 2 years in duration;

(ii) May be renewed by the Board; and

(iii) May be rescinded by the Board if the Board finds that any requirements of this subtitle are not met.

(5) (i) The Board shall include in the regulations adopted under paragraph (1) of this subsection requirements for documenting, in a record acceptable to the Board, the administration to a patient of a sterile compounded preparation or sterile drug product obtained under a waiver issued under this subsection.

(ii) The requirements shall include:

1. Documentation of the lot number or other mechanism for identifying the sterile compounded preparation or sterile drug product for the purpose of tracing the sterile compounded preparation or sterile drug product back to the sterile compounding facility or other person that prepared it; or

2. If documentation of the lot number or other identification mechanism is not feasible, documentation of the source of the sterile compounded preparation or sterile drug product for the purpose of tracking the sterile compounded preparation or sterile drug product back to the sterile compounding facility or other person that prepared it.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2014.