

Department of Legislative Services  
Maryland General Assembly  
2011 Session

FISCAL AND POLICY NOTE

Revised

Senate Bill 770

(Senator Conway, *et al.*)

Finance and Education, Health, and  
Environmental Affairs

Health and Government Operations

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Prescription Drug Repository Program - Disposal of Prescription Drugs and  
Medical Supplies

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This bill expands the purpose of the Prescription Drug Repository Program to include acceptance of prescription drugs and medical supplies returned to a pharmacy for proper disposal. Each pharmacy for which a pharmacy permit has been issued must dispose of prescription drugs or medical supplies in accordance with program policies.

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Fiscal Summary

**State Effect:** The bill's requirements can be handled within existing resources of the State Board of Pharmacy. Potential minimal increase in general fund revenues due to the application of existing penalty provisions.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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Analysis

**Bill Summary:** A pharmacy must be approved by the board in order to accept prescription drugs and medical supplies for disposal. The program may not require a private entity to establish, operate, or fund a drop-off site or disposal program. Each repository must dispose of donated prescription drugs and medical supplies in accordance with State and federal law. The board is authorized to take disciplinary action against a pharmacist who fails to dispense or dispose of prescription drugs or medical supplies in accordance with State law. Furthermore, the bill extends certain exemptions from criminal prosecution and liability to include the disposal of prescription drugs or medical supplies.

**Current Law:** Chapter 287 of 2006 established a prescription drug repository program regulated by the State Board of Pharmacy. The program accepts donated prescription drugs or medical supplies to be dispensed to needy patients in the State. However, prescription drugs can only be donated if they are in unopened, sealed, and tamper-evident unit dose packaging and have an expiration date at least 90 days from the date the drug is donated.

To participate, a pharmacy may not have any final disciplinary orders issued against it and must be approved by the board to accept donated drugs or medical supplies from a designated drop-off site and to dispense the drugs or medical supplies to needy individuals. A participating repository must:

- accept only donated drugs and medical supplies forwarded by designated drop-off sites;
- inspect all donated drugs and medical supplies;
- accept only those donated drugs and medical supplies that meet specified requirements and dispose of those that do not;
- maintain a separate inventory of donated drugs and medical supplies;
- store donated drugs and medical supplies in a secure and exclusive location;
- maintain separate prescription files for patients receiving donated drugs and medical supplies; and
- obliterate any patient-specific information from the labels of any donated drugs and medical supplies.

Pharmacies participate in the program on a voluntary basis, and there is no fee to be approved as a repository. For matters related to donating, accepting, or dispensing drugs under the program, program participants that act in good faith are exempt from criminal prosecution or liability in tort or other civil action.

The board may reprimand, place on probation, or suspend or revoke the license of a pharmacist who violates the Maryland Pharmacy Act and/or impose a penalty of up to \$10,000. A pharmacy permit holder who does not follow Title 12, Subtitle 4 of the Health Occupations Article is guilty of a misdemeanor and on conviction is subject to a fine of up to \$1,000.

**Background:** Safe disposal of prescription drugs preserves patient safety, reduces abuse or unintended ingestion of prescription drugs, and limits the impact of unused medications on the environment. Many independent community pharmacies, including 34 in Maryland, participate in DisposeMyMeds.org, a website that directs consumers to local medication disposal programs. Sharps Compliance, Inc. offers the TakeAway™ Environmental Return System for unused consumer prescription drugs (excluding

controlled substances) in which returned drugs are mailed to the company, processed by law enforcement officials, and destroyed. According to the board, 78 Maryland pharmacies participate in the program.

Under the federal Secure and Responsible Drug Disposal Act of 2010 (enacted in October 2010), individuals may now return lawfully obtained controlled substances for disposal. The U.S. Attorney General will issue regulations governing the transfer of controlled substances for disposal to prevent diversion.

Under current law, the board does not approve or account for pharmacies that participate in prescription drug disposal programs. Thus, the bill is intended to provide accountability of such pharmacies and to ensure proper disposal of drugs under State and federal law, particularly as controlled substances are now eligible for return for disposal.

**State Fiscal Effect:** As there is no fee to be approved as a repository under the program, there will be no impact on special fund revenues for the board. To date, the board has approved 12 prescription drug repository drop-off sites and 9 repositories. According to the board, existing staff can handle the approval of pharmacies seeking to serve as repositories, as well as enforcement.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 460 (Delegate Murphy, *et al.*) - Health and Government Operations.

**Information Source(s):** Department of Health and Mental Hygiene, Department of Legislative Services

**Fiscal Note History:** First Reader - February 18, 2011  
mc/ljm Revised - Senate Third Reader - March 29, 2011

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