

SENATE BILL No. 565

May 12, 2009, Introduced by Senator STAMAS and referred to the Committee on Health Policy.

A bill to amend 1978 PA 368, entitled
"Public health code,"
(MCL 333.1101 to 333.25211) by adding section 17777.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 17777. (1) SUBJECT TO SUBSECTION (2), THE DEPARTMENT, IN
2 CONSULTATION WITH THE BOARD, SHALL PROMULGATE RULES AND ESTABLISH
3 PROCEDURES NECESSARY TO ESTABLISH, IMPLEMENT, AND ADMINISTER THE
4 PALMS. THE BOARD SHALL PROVIDE TECHNICAL ASSISTANCE TO INDIVIDUALS,
5 HEALTH FACILITIES AND AGENCIES, ADULT FOSTER CARE FACILITIES,
6 ASSISTED LIVING FACILITIES, MANUFACTURERS, PHARMACIES, AND
7 CHARITABLE CLINICS THAT PARTICIPATE IN THE PALMS.

8 (2) THE DEPARTMENT, IN CONSULTATION WITH THE BOARD, SHALL
9 PROMULGATE EMERGENCY RULES UNDER THE ADMINISTRATIVE PROCEDURES ACT
10 OF 1969 ON OR BEFORE THE EXPIRATION OF 6 MONTHS AFTER THE EFFECTIVE

1 DATE OF THIS SECTION TO ESTABLISH, IMPLEMENT, AND ADMINISTER THE
2 PALMS. THE DEPARTMENT, IN CONSULTATION WITH THE BOARD, SHALL
3 PROMULGATE PERMANENT RULES PURSUANT TO THE ADMINISTRATIVE
4 PROCEDURES ACT OF 1969 AS SOON AS PRACTICAL AFTER EMERGENCY RULES
5 HAVE BEEN PROMULGATED UNDER THIS SUBSECTION. THE DEPARTMENT AND THE
6 BOARD SHALL INCLUDE ALL OF THE FOLLOWING IN RULES PROMULGATED UNDER
7 THIS SECTION:

8 (A) ELIGIBILITY CRITERIA FOR PHARMACIES AND CHARITABLE CLINICS
9 AUTHORIZED TO RECEIVE AND DISPENSE DONATED PRESCRIPTION DRUGS FOR
10 THE PALMS.

11 (B) ELIGIBILITY CRITERIA FOR ELIGIBLE PARTICIPANTS.

12 (C) ESTABLISHMENT OF A FORMULARY THAT INCLUDES ALL
13 PRESCRIPTION DRUGS APPROVED BY THE FEDERAL FOOD AND DRUG
14 ADMINISTRATION.

15 (D) STANDARDS AND PROCEDURES FOR TRANSFER, TRANSPORTATION,
16 ACCEPTANCE, SAFE STORAGE, SECURITY, AND DISPENSING OF DONATED
17 PRESCRIPTION DRUGS.

18 (E) A PROCESS FOR SEEKING INPUT FROM THE DEPARTMENT IN
19 ESTABLISHING PROVISIONS THAT AFFECT HEALTH FACILITIES AND AGENCIES,
20 ADULT FOSTER CARE FACILITIES, AND ASSISTED LIVING FACILITIES.

21 (F) A PROCESS FOR SEEKING INPUT FROM THE DEPARTMENT AND THE
22 DEPARTMENT OF HUMAN SERVICES IN ESTABLISHING PROVISIONS THAT AFFECT
23 MENTAL HEALTH AND SUBSTANCE ABUSE CLIENTS.

24 (G) STANDARDS AND PROCEDURES FOR INSPECTING DONATED
25 PRESCRIPTION DRUGS TO ENSURE THAT THE PRESCRIPTION DRUGS MEET THE
26 REQUIREMENTS OF THE PALMS AND TO ENSURE THAT, IN THE PROFESSIONAL
27 JUDGMENT OF THE PHARMACIST, THE PRESCRIPTION DRUGS MEET ALL FEDERAL

1 AND STATE STANDARDS FOR PRODUCT INTEGRITY.

2 (H) PROCEDURES FOR THE DESTRUCTION AND ENVIRONMENTALLY SOUND
3 DISPOSAL OF PRESCRIPTION DRUGS OR OTHER MEDICATIONS THAT ARE
4 DONATED AND THAT ARE CONTROLLED SUBSTANCES OR OTHERWISE INELIGIBLE
5 FOR DISTRIBUTION UNDER THE PALMS.

6 (I) PROCEDURES FOR VERIFYING WHETHER THE CHARITABLE CLINIC,
7 PHARMACY, RESPONSIBLE PHARMACIST, OR OTHER HEALTH PROFESSIONALS
8 PARTICIPATING IN THE PALMS ARE LICENSED AND IN GOOD STANDING WITH
9 THE APPLICABLE LICENSING BOARD.

10 (J) ESTABLISHMENT OF STANDARDS FOR ACCEPTANCE OF UNUSED
11 PRESCRIPTION DRUGS FROM INDIVIDUALS, HEALTH FACILITIES AND
12 AGENCIES, ADULT FOSTER CARE FACILITIES, AND ASSISTED LIVING
13 FACILITIES.

14 (K) ANY OTHER STANDARDS AND PROCEDURES THE DEPARTMENT, IN
15 CONSULTATION WITH THE BOARD, CONSIDERS APPROPRIATE OR NECESSARY TO
16 ESTABLISH, IMPLEMENT, AND ADMINISTER THE PALMS.

17 (3) PURSUANT TO THE RULES PROMULGATED AND PROCEDURES
18 ESTABLISHED FOR THE PALMS UNDER THIS SECTION AND SECTION 17775, AN
19 INDIVIDUAL; A RESIDENT OF A HEALTH FACILITY OR AGENCY, ADULT FOSTER
20 CARE FACILITY, OR ASSISTED LIVING FACILITY; OR THE REPRESENTATIVE
21 OR GUARDIAN OF AN INDIVIDUAL OR A RESIDENT OF A FACILITY MAY DONATE
22 UNUSED PRESCRIPTION DRUGS FOR DISPENSING TO ELIGIBLE PARTICIPANTS
23 UNDER THE PALMS.

24 (4) THIS SECTION AND SECTIONS 17775 AND 17776 DO NOT IMPAIR OR
25 SUPERSEDE THE PROVISIONS REGARDING THE CANCER DRUG REPOSITORY
26 PROGRAM ESTABLISHED IN SECTION 17780. IF ANY PROVISION OF THIS
27 SECTION OR SECTION 17775 OR 17776 CONFLICTS WITH A PROVISION OF

1 THAT SECTION WITH REGARD TO CANCER DRUGS, THAT SECTION CONTROLS.

2 (5) AS USED IN THIS SECTION AND SECTIONS 17775 AND 17776:

3 (A) "ADULT FOSTER CARE FACILITY" MEANS AN ADULT FOSTER CARE
4 FACILITY LICENSED UNDER THE ADULT FOSTER CARE FACILITY LICENSING
5 ACT, 1979 PA 218, MCL 400.701 TO 400.737.

6 (B) "CANCER DRUG" MEANS THAT TERM AS DEFINED IN SECTION 17780.

7 (C) "CHARITABLE CLINIC" MEANS A CHARITABLE NONPROFIT
8 CORPORATION OR FACILITY THAT MEETS ALL OF THE FOLLOWING
9 REQUIREMENTS:

10 (i) IS ORGANIZED AS A NOT-FOR-PROFIT CORPORATION PURSUANT TO
11 THE NONPROFIT CORPORATION ACT, 1982 PA 162, MCL 450.2101 TO
12 450.3192.

13 (ii) HOLDS A VALID EXEMPTION FROM FEDERAL INCOME TAXATION
14 ISSUED PURSUANT TO SECTION 501(A) OF THE INTERNAL REVENUE CODE, 26
15 USC 501.

16 (iii) IS LISTED AS AN EXEMPT ORGANIZATION UNDER SECTION 501(C)
17 OF THE INTERNAL REVENUE CODE, 26 USC 501.

18 (iv) PROVIDES ON AN OUTPATIENT BASIS FOR A PERIOD OF LESS THAN
19 24 CONSECUTIVE HOURS TO PERSONS NOT RESIDING OR CONFINED AT THE
20 FACILITY ADVICE, COUNSELING, DIAGNOSIS, TREATMENT, SURGERY, CARE,
21 OR SERVICES RELATING TO THE PRESERVATION OR MAINTENANCE OF HEALTH.

22 (v) HAS A LICENSED PHARMACY.

23 (D) "ELIGIBLE PARTICIPANT" MEANS AN INDIVIDUAL WHO MEETS ALL
24 OF THE FOLLOWING REQUIREMENTS:

25 (i) IS A RESIDENT OF THIS STATE.

26 (ii) IS ELIGIBLE TO RECEIVE MEDICAID OR MEDICARE OR HAS NO
27 HEALTH INSURANCE AND OTHERWISE LACKS REASONABLE MEANS TO PURCHASE

1 PRESCRIPTION DRUGS, AS PRESCRIBED IN RULES PROMULGATED UNDER THIS
2 SECTION.

3 (E) "HEALTH FACILITY OR AGENCY" MEANS THAT TERM AS DEFINED IN
4 SECTION 20106.

5 (F) "HEALTH PROFESSIONAL" MEANS ANY OF THE FOLLOWING
6 INDIVIDUALS LICENSED AND AUTHORIZED TO PRESCRIBE AND DISPENSE DRUGS
7 OR TO PROVIDE MEDICAL, DENTAL, OR OTHER HEALTH-RELATED DIAGNOSES,
8 CARE, OR TREATMENT WITHIN THE SCOPE OF HIS OR HER PROFESSIONAL
9 LICENSE:

10 (i) A PHYSICIAN LICENSED TO PRACTICE MEDICINE OR OSTEOPATHIC
11 MEDICINE AND SURGERY UNDER PART 170 OR 175.

12 (ii) A REGISTERED PROFESSIONAL NURSE LICENSED UNDER PART 172.

13 (iii) A PHYSICIAN'S ASSISTANT LICENSED UNDER PART 170.

14 (iv) A DENTIST LICENSED UNDER PART 166.

15 (v) AN OPTOMETRIST LICENSED UNDER PART 174.

16 (vi) A PHARMACIST LICENSED UNDER THIS PART.

17 (vii) A PODIATRIST LICENSED UNDER PART 180.

18 (G) "PALMS" MEANS THE STATEWIDE UNUSED PRESCRIPTION DRUG
19 REPOSITORY AND DISTRIBUTION PROGRAM KNOWN AS THE PROGRAM FOR
20 ALLOCATING LEFTOVER MEDICAL SUPPLIES THAT IS ESTABLISHED UNDER
21 SECTION 17775.

22 Enacting section 1. This amendatory act does not take effect
23 unless all of the following bills of the 95th Legislature are
24 enacted into law:

25 (a) Senate Bill No. _____ or House Bill No. _____ (request no.
26 01385'09 **).

27 (b) Senate Bill No. _____ or House Bill No. _____ (request no.

1 02447'09 *).