

## No. 1999-44

## AN ACT

SB 602

Amending the act of December 14, 1992 (P.L.1116, No.145), entitled "An act providing minimum standards, terms and conditions for the licensing of persons who engage in wholesale distributions in interstate commerce of prescription drugs; and making a repeal," further defining "wholesale distribution of prescription drugs."

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The definition of "wholesale distribution of prescription drugs" in section 3 of the act of December 14, 1992 (P.L.1116, No.145), known as the Wholesale Prescription Drug Distributors License Act, is amended to read:

Section 3. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

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"Wholesale distribution of prescription drugs." Distribution in interstate commerce of prescription drugs to persons other than a consumer or patient, ***[but] and distribution by a manufacturer, who is a licensee under this act, of prepackaged dialysis supplies and solutions directly to a self-administering dialysis patient, who is under the care of a physician, at the patient's residence. Notwithstanding the foregoing, the phrase*** does not include:

(1) Intracompany sales or joining together of five or fewer pharmacies to place a direct order of medicine from the pharmaceutical manufacturer.

(2) The purchase or other acquisition by a hospital or other health care entity that is a member of a group purchasing organization of a drug for its own use from the group purchasing organization or from other hospitals or health care entities that are members of such organizations.

(3) The sale, purchase or trade of a drug or an offer to sell, purchase or trade a drug by a charitable organization described in section 501(c)(3) of the Internal Revenue Code of 1986 (Public Law 99-514, 26 U.S.C. § 501(c)(3)) to a nonprofit affiliate of the organization to the extent otherwise permitted by law.

(4) The sale, purchase or trade of a drug or an offer to sell, purchase or trade a drug among hospitals or other health care entities that are under common control.

(5) The sale, purchase or trade of a drug or an offer to sell, purchase or trade a drug for emergency medical reasons, including transfers of prescription drugs by a retail pharmacy to another retail pharmacy to alleviate a temporary shortage.

(6) The sale, purchase or trade of a drug, an offer to sell, purchase or trade a drug or the dispensing of a drug pursuant to a prescription.

(7) The distribution of drug samples by manufacturers' representatives or distributors' representatives.

(8) The sale, purchase or trade of blood and blood components intended for transfusion.

(9) The sale of minimal quantities of prescription drugs by a retail pharmacy to licensed practitioners for use within their practice when the sales do not exceed 5% of that retail pharmacy's total annual prescription drug sales.

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Section 2. This act shall take effect immediately.

APPROVED—The 10th day of November, A.D. 1999.

THOMAS J. RIDGE