A BILL TO BE ENTITLED
AN ACT
relating to the authority of a physician to provide and dispense and
to delegate authority to provide and dispense certain drugs.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Section 151.002, Occupations Code, is amended by
adding Subdivisions (3-a) and (13-a) to read as follows:
(3-a) "Dispense" has the meaning assigned by Section
551.003.
(13-a) "Provision" means the supply of one or more
unit doses of a drug, medicine, or dangerous drug.
SECTION 2. The heading to Section 157.002, Occupations
Code, is amended to read as follows:
Sec. 157.002. GENERAL DELEGATION OF ADMINISTRATION, [AND]
PROVISION, AND DISPENSING OF DANGEROUS DRUGS.
SECTION 3. Sections 157.002(a), (b), (e), and (g),
Occupations Code, are amended to read as follows:
(a) In this section, "administering" [1]
(1) "Administering" means the direct application of
a drug to the body of a patient by injection, inhalation, ingestion,
or any other means.
(2) "Provision" means the supply of one or more unit
doses of a drug, medicine, or dangerous drug.
(b) A physician may delegate to any qualified and properly
trained person acting under the physician's supervision the act of
administering [or providing] dangerous drugs in the physician's office, as ordered by the physician, that are used or required to meet the immediate needs of the physician's patients or the act of providing or dispensing dangerous drugs in the physician's office, as ordered by the physician, to the physician's patients. The administration, [or] provision, or dispensing of the dangerous drugs must be performed in compliance with laws relating to the practice of medicine and state and federal laws relating to those dangerous drugs.

(e) The administration, [or] provision, or dispensing of the drugs may be delegated through a physician's order, a standing medical order, a standing delegation order, or another order defined by the board.

(g) A drug or medicine provided or dispensed under Subsection (b) or (c) must be supplied in a suitable container labeled in compliance with applicable drug laws. A qualified and trained person, acting under the supervision of a physician, may specify at the time of the provision or dispensing of the drug the inclusion on the container of the date of the provision or dispensing and the patient's name and address.

SECTION 4. The heading to Chapter 158, Occupations Code, is amended to read as follows:

CHAPTER 158. AUTHORITY OF PHYSICIAN TO PROVIDE OR DISPENSE CERTAIN DRUGS AND SUPPLIES

SECTION 5. Sections 158.001(a) and (c), Occupations Code, are amended to read as follows:

(a) A physician licensed under this subtitle may provide
supply] a patient with any drug, remedy, or clinical supply necessary to meet the patient's immediate needs.

(c) This chapter does not prohibit a physician from providing [supplying] to a patient, free of charge, a drug provided to the physician by a drug manufacturer for an indigent pharmaceutical program if, in the physician's opinion, it is advantageous to the patient, in adhering to a course of treatment prescribed by the physician, to receive the drug.

SECTION 6. Section 158.002(a), Occupations Code, is amended to read as follows:

(a) This chapter does not prohibit a physician from providing [supplying] a pharmaceutical sample to a patient free of charge if, in the physician's opinion, it is advantageous to the patient, in adhering to a course of treatment prescribed by the physician, to receive the sample.

SECTION 7. Section 158.003, Occupations Code, is amended to read as follows:

Sec. 158.003. PROVISION AND DISPENSING OF DANGEROUS DRUGS [IN CERTAIN RURAL AREAS]. (a) In this section, "reimbursement for cost" means an additional charge, separate from that imposed for the physician's professional services, that includes the cost of the drug product and all other actual costs to the physician incidental to providing the dispensing service. The term does not include a separate fee imposed for the act of dispensing the drug itself.

(b) [This section applies to an area located in a county with a population of 5,000 or less, or in a municipality or an
unincorporated town with a population of less than 2,500, that is
within a 15-mile radius of the physician's office and in which a
pharmacy is not located. This section does not apply to a
municipality or an unincorporated town that is adjacent to a
municipality with a population of 2,500 or more.

\[(c)\] A physician [who practices medicine in an area
described by Subsection (b)] may:

(1) provide or dispense [maintain a supply of]
dangerous drugs in the physician's office to [be dispensed in the
course of treating] the physician's patients; and

(2) be reimbursed for the cost of providing or
dispensing [supplying] those drugs without obtaining a license
under Chapter 558.

(c) A physician may not provide or dispense under this
section a controlled substance listed in Schedules II through V as
established under Subchapter B, Chapter 481, Health and Safety
Code.

(d) A physician who provides or dispenses dangerous drugs
under this section [Subsection (c)] shall [

(1) comply with each labeling provision under
Subtitle J applicable to that class of drugs; and

(2) oversee compliance with the laws of this state
and federal law relating to those dangerous [packaging and
recordkeeping provisions applicable to that class of] drugs.

(e) Before providing or dispensing dangerous drugs under
this section, a physician must notify the patient that the
prescription for the dangerous drug may be filled at a pharmacy.
The notification requirement of this subsection may be satisfied by a written notice placed conspicuously in the physician's office.

(f) Not later than the 30th day after the date a physician first provides or dispenses dangerous drugs under this section, the physician shall notify both the Texas State Board of Pharmacy and the board that the physician is providing or dispensing dangerous drugs under this section. The Texas State Board of Pharmacy and the board shall jointly adopt a form by which a physician may provide notification as required by this subsection. The physician may continue to dispense dangerous drugs in the area until the Texas State Board of Pharmacy determines, after notice and hearing, that the physician no longer practices in an area described by Subsection (b).

(g) A physician who notifies the board under Subsection (f) that the physician is providing or dispensing dangerous drugs under this section and who intends to continue to provide or dispense dangerous drugs under this section shall include notice of that intent in any subsequent registration permit renewal application submitted to the board. The board by rule shall prescribe the form of a registration permit renewal application in accordance with this subsection.

SECTION 8. Section 551.003(31), Occupations Code, is amended to read as follows:

(31) "Pharmacy" means a facility at which a prescription drug or medication order is received, processed, or dispensed under this subtitle, Chapter 481 or 483, Health and
Safety Code, or the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. Section 801 et seq.). The term does not include:

(A) a narcotic drug treatment program that is regulated under Chapter 466, Health and Safety Code; or

(B) a physician's office in which a dangerous drug is provided or dispensed under Section 158.003.

SECTION 9. Section 551.004, Occupations Code, is amended by adding Subsection (a-1) and amending Subsection (b) to read as follows:

(a-1) For purposes of Subsection (a)(1), "retailing of prescription drugs" does not include the collection of a reimbursement for cost as defined by Section 158.003(a).

(b) This subtitle does not prevent a practitioner from:

(1) administering a drug to a patient of the practitioner; or

(2) providing or dispensing dangerous drugs under Section 158.003.

SECTION 10. Section 558.001, Occupations Code, is amended by amending Subsection (c) and adding Subsection (d) to read as follows:

(c) Except as provided by Subsection (d), a [A] person may not dispense or distribute prescription drugs unless the person:

(1) is a pharmacist; or

(2) is otherwise authorized by this subtitle to dispense or distribute prescription drugs.

(d) A physician or person acting under the physician's
supervision may provide or dispense dangerous drugs in accordance
with Section 157.002(b) or 158.003.

SECTION 11. The heading to Chapter 563, Occupations Code,
is amended to read as follows:

CHAPTER 563. [PRESCRIPTION REQUIREMENTS;] DELEGATION OF
ADMINISTRATION, [AND] PROVISION, AND DISPENSING OF DANGEROUS DRUGS

SECTION 12. Sections 563.051(a) and (c), Occupations Code,
are amended to read as follows:

(a) A physician may delegate to any qualified and properly
trained person acting under the physician's supervision the act of
administering [or providing] dangerous drugs in the physician's
office, as ordered by the physician, that are used or required to
meet the immediate needs of the physician's patients or the act of
providing or dispensing dangerous drugs in the physician's office,
as ordered by the physician, to the physician's patients. The
administration, [or] provision, or dispensing of the dangerous
drugs must be performed in compliance with laws relating to the
practice of medicine and state and federal laws relating to those
dangerous drugs.

(c) The administration, [or] provision, or dispensing of
the drugs may be delegated through a physician's order, a standing
medical order, a standing delegation order, or another order
defined by the Texas Medical [State] Board [of Medical Examiners].

SECTION 13. Section 563.052, Occupations Code, is amended
to read as follows:

Sec. 563.052. SUITABLE CONTAINER REQUIRED. A drug or
medicine provided or dispensed under this subchapter must be
provided or dispensed [supplied] in a suitable container labeled in compliance with applicable drug laws. A qualified and trained person, acting under the supervision of a physician, may specify at the time of the provision or dispensing of the drug the inclusion on the container of the date of the provision or dispensing and the patient's name and address.

SECTION 14. (a) The heading to Subchapter B, Chapter 563, Occupations Code, is repealed.

(b) Section 563.053, Occupations Code, is repealed.

SECTION 15. This Act takes effect September 1, 2019.