

45:14-8.1

January 14, 1970

LEGISLATIVE HISTORY OF R.S.45:14-8.1
(Pharmacy board - reciprocal licensing)
(1969 amendment)

COPY NO. 2

No previous bills located.

- L. 1969 - Chapter 164 - S543
February 17 - Introduced by Miller, Italiano and H. Kelly.
April 21 - Passed in Senate.
May 15 - Passed in Assembly.
September 17 - Approved, chapter 164.
Not amended during passage.
No statement.

No hearings or reports were located.

In the June, 1969 issue of:

974.905
P53

New Jersey Journal of Pharmacy,
page 48, appeared:

S543 - This bill would permit the Board of Pharmacy to grant reciprocal registration without examination to any applicant who has practiced pharmacy for 25 years in another state. DISAPPROVAL. The bill lacks clarity. It does not fully explain who would be permitted to receive reciprocity without any examination and does not provide adequate standards for the Board of Pharmacy to make determinations.

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SENATE, No. 543

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 17, 1969

By Senators MILLER, ITALIANO and H. A. KELLY

Referred to Committee on Commerce, Industry and Professions

AN ACT concerning the practice of pharmacy and supplementing chapter 14 of Title 45 of the Revised Statutes.

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. The board of pharmacy may grant reciprocal registration
2 without examination to any applicant for registration as a phar-
3 macist who is duly registered as such in any of our sister States
4 having a standard for registration equivalent to that of this State
5 and who has practiced pharmacy as a registered pharmacist in such
6 State for a period of 25 years or more immediately preceding his
7 application for registration in this State, notwithstanding that the
8 school or college of pharmacy from which such applicant graduated
9 was not at the time of his graduation a school or college of pharmacy
10 approved by the board; provided, that such school or college
11 presently is approved by the board; and provided, further, that such
12 applicant is otherwise qualified for reciprocal registration pursuant
13 to section 45:14-8 of the Revised Statutes.

1 2. This act shall take effect immediately.

Several years our earning potential will be substantially dictated to us by men outside our profession who will hardly have our best interests at heart.

It was suggested that the Association request a meeting with Blue Cross limited to the theoretical concept of a profile pricing structure for New Jersey. The current pricing systems allow too much variation between various types of pharmacies without regard to the services rendered by the various types of pharmacies, and it is felt by the committee that profile pricing structure would be the most equitable for pharmacists' reimbursement and it would, additionally, encourage the highest level of patient service possible.

The Association also takes note of the various Blue Cross pricing policies and suggests that there is an urgent need for a national conference sponsored by one or both of the national pharmaceutical associations for the purpose of exploring legal courses of action in dealing with the various state and national Blue Cross groups. Additionally, the conference should explore the various legal techniques open to individual pharmacists and groups of pharmacists in dealing with and in soliciting of Blue Cross, especially devoting its attention to the proper usage of Banking and Insurance regulations, laws, public utility laws and commissions, and various other matters of such a nature. (It is interesting to note that our approach to this problem was tempered by the legal opinion of Blue Cross lawyers that discussion of the actual fee between Blue Cross and our association would be illegal under federal statutes. More recently, however, the State of Virginia's Corporation Commission has ruled that the prepaid plan of a fixed \$1.85 professional fee by Virginia's Blue Cross violates state antitrust laws.)

The committee also discussed the third party payment area as it relates to welfare, welfare pricing policies, administrative problems related to welfare and especially as these problems relate to delayed payment.

The committee reviewed about 20 bills submitted to the State Legislature during the spring session. We recommended three in the active support category, two for approval, two for disapproval and one bill for active opposition, as follows:

S-165, A-124, A-322 — All attempting to generally accomplish the same purpose, these bills would repeal the excise tax on gross receipts as it affects unincorporated businesses. ACTIVE SUPPORT. The state association has adopted the position that such taxes are inequitable in that they unfairly are of a gross receipts nature and do not take into account the great fluctuations and variations in the profitability of various types of business.

S-543 — This bill would permit the Board of Pharmacy to grant reciprocal registration without examination to any applicant who has practiced pharmacy for 25 years in another state. DISAPPROVAL. The bill lacks clarity. It does not fully explain who would be permitted to receive reciprocity without any examination and does not provide adequate standards for the Board of Pharmacy to make any determinations.

A-21 — Provides legal protection to those individuals rendering certain ancillary services to the practice of medicine and surgery. This bill would allow physician assistants to render certain increments of service in physician's offices under physician supervision, without the immediate supervision of a physician. The bill would limit the dispensing of drugs in physician's offices to the administration of one dose only. ACTIVE SUPPORT. This bill appears to be a step in the right direction towards better utilization of the services of physicians and other health professional in short supply. It will facilitate services to patients without any significant injury to patient care.

S-404 — These bills would require the generic or scientific name for all ingredients of products sold including drugs at the time of dispensing and would make the failure on the part of any person to perform a disorderly offense. ACTIVE OPPOSITION. This bill, in enacted, would increase costs of prescriptions considerably, encourage promiscuous drug usage and, in all probability, increase drug misuse and accidents.

S-188 — This bill would allow for the providing of fluoride tablets to parents upon request by local Departments of Health where fluoridated waters do not exist. DISAPPROVAL. This bill is extremely vague as relates to the methods of dispensing of these drugs as well as to the economic costs involved to the state. Fluoride tablets are a prescription legend drug and should not be dispensed promiscuously. It appears that this bill does not take this into account.

S271 — The bill would create a division of drug abuse. APPROVAL.

A-776 — This bill would create six community health centers throughout the state under certain controlled conditions. APPROVAL, subject to the following amendments. The bill include at least two pharmacists on the Advisory Board to balance those of other health professions. The bill should further give greater particularity to the type and quality of health service which will be rendered, including specifics on the type of quality of pharmacy service so as to insure the fact that the bill is not too general and will not provide more undesirable clinic type services.

A-628 — This bill would exempt over-the-counter drugs from the sales tax liability. ACTIVE SUPPORT. The Association believes that the tax on over-the-counter drugs discriminates against people who use this type of drug in great quantity and produces a hardship on many such patients which could be relieved quite easily by the exemption of such drugs from tax liability.

A-758 — This bill would provide increased penalties for the sale of hallucinogenic drugs. It would also provide for a broadened search and seizure right on the part of law enforcement officials. APPROVAL. Drug abuses are a significant social problem today. This problem merits active opposition by all forces of the law and the law should, on an as broad a basis as possible, allow investigation and penalty where proof of credit exists.

National Issues

S-1575 Introduced on March 13th by Senator Philip Hart, cosponsored by Senators Magnuson (D, Wash.) and Moss (D, Utah). This is a bill which would make illegal the dispensing of drugs by physicians except under certain limited conditions and would additionally make the physician ownership of pharmacies illegal. This bill is essential for the professional independence of pharmacists. Dispensing physi-

cians are known to purchase drug inventories without regard to quality or reliability of source. Senator Hart stated that his bill is aimed at wiping out "doctor merchants who are having a bad effect on the pocket-books of both patients and independent competitors." The purpose of this bill is to protect the public from profiteering doctors without in any way inhibiting doctors who occasionally sell drugs truly as a service to their patients. Separation of pharmacy and medicine is a classic consumer protection device. In the United States this device is slowly but surely breaking down as more and more greedy physicians tend to seek an ownership position in pharmacies or seek to dispense drugs directly. As a matter of fact, in most instances the physicians do not dispense the drugs themselves but simply hire a girl in a white dress to dispense the medications. She generally has no knowledge of the medication, and the amount of errors which take place can only be contemplated, but it is large, based on statistics in other areas where non-professionals dispense or administer medications. ACTIVE SUPPORT.

Medicare Prescription Drugs for non-hospitalized patients under Medicare. — The Association favors the earliest possible passage of legislation to provide drug coverage for out-of-hospital medicare patients. Current coverage under Medicare Law part XVIII B provides for physician services but does not allow for the inclusion of drugs. This places many medicare patients in a significant financial dilemma since first class medical service is of little value without the existence of concomitant drug availability. In the event full coverage cannot be provided at the current time due to a lack of cost statistics and to a desire to keep the program funded on a fiscally sound basis, we believe it is at least imperative that some coverage be initiated at the earliest possible moment on a limited drug classification basis so as to find some relief to patients suffering from chronic diseases. They are generally in the greatest and most immediate need for financial assistance in the area of medical and drug costs.

H.M. FELDMAN, Chairman

MEMBERS SERVICE

The committee this past year has tried to reactivate some of our Association members programs that have become slightly dormant and also evaluate and introduce some programs for the benefit of our membership.

The calendar program was revitalized with the cooperation of the Shaw-Barton Company so as to create a wider coverage of membership and an active selling campaign on their part. We shall have a detailed report on this activity at convention time in June which we feel assured will be an increase over last year's sales.

The book match program is being worked on for reinstatement this coming year. There are very few manufacturers of this item who are extremely interested. However, the fact that we desire a redesigning of the cover, a more diversified method of distribution plus other factors and still keep the price within reason has hindered immediate reinstatement of the program.

The life insurance and major medical programs have progressed with a slow but continuous enrollment of new members. Claims have been satisfactorily settled. It would be a great advantage to all participants to encourage our younger members to take advantage of this program, as they receive excellent benefits at a very reasonable premium. Our pension program has also progressed and should be of great interest to our younger members.

The Blue Cross program has now well over 700 members. There have been very few cancellations and this also is one of our great benefits to our members with great coverage at a reasonable cost.

The prepaid Rx program is still under advisement. With the programs projected for the future with Medicaid and other factors involved in the prepayment of Rx's, the committee is awaiting with interest the outcome of these programs so as to be qualified to give our membership more information.

The association still continues to serve the membership with narcotic inventory forms, return authorization books, and will try to honor any requests or suggestions offered by our membership to better the profession.

EUGENE L. KLEINFELD, Chairman

ECONOMIC INTERESTS

The work of the committee this year was accomplished by one general meeting, numerous sub-committee meetings, an appearance of the chairman and executive officer before the Middlesex County Society, and correspondence and phone calls with a number of manufacturers. Much of our time and energy was spent on community private labels. Regrettably to the committee majority, insufficient grass roots enthusiasm was engendered. The project has therefore been scrapped.

Progress was made on our drive for the elimination of unfair price discrimination, although no dramatic accomplishment can be reported. We are confident that results will transpire as time and efforts go on. During the year more manufacturers have adjusted return policies to a satisfactory extent. The committee has intervened in some individual members' difficulties most effectively. We were happy to have been helpful and have received notes of appreciation from those involved.

Our Association has been active in regard to improvement of manufacturers' return goods policies and regarding the modification of normal practice where shelf allowances are allowed for existent inventory in the event of price decreases. Over the past year, manufacturers have to a greater extent departed from this trade practice, and the association has expressed itself vocally in each such instance. In one, we were successful in having a modification on the position and the giving of such an allowance.

The Association has also taken note of the severe discriminations affecting pharmacists as a result of wholesaler policy changes and as a result of wholesaler openings, closings and mergers. The line officers have met with several major wholesalers individually in an attempt to promote more wholesaler understanding of the pharmacists' problems and, at the same time, to promote a greater understanding of the interrelationships which exist and which must exist between wholesaler and pharmacist. Currently there is under consideration the possibility of a study sponsored by one or more wholesalers and one or more associations concerning diffi-