

# **Policy Brief**

**April 2018** 

# SB 1447 (HERNANDEZ): PHARMACY: AUTOMATED DRUG DELIVERY SYSTEMS: LICENSING

**POSITION:** The Chamber's Healthcare Committee voted to SUPPORT SB 1447 on March 14, 2018. The Chamber's Public Policy Committee voted to SUPPORT SB 1447 on April 10, 2018

**STATUS:** The bill was introduced on February 16, 2018 by Senator Ed Hernandez. The bill is scheduled for hearing at the Senate Committee on Business, Professions & Economic Development on April 23, 2018.

#### **SUMMARY**

SB 1447 establishes a renewed system for use of Automated Drug Delivery Systems (ADDS), to dispense medications to patients, including in hospitals, skilled nursing facilities and clinics, among other facilities.

#### **INDUSTRIES IMPACTED**

SB 1447 will primarily impact businesses within the healthcare service industry and pharmaceutical companies.

### **SUPPORTERS**

Board of Pharmacy (sponsored)

#### **ARGUMENTS IN FAVOR**

The use of ADDS will increase as interest in the automated dispensing increases. By existing in various forms, ADDS can provide consumers the convenience of automated dispensing (while still allowing for a consult with a licensed pharmacist). Pilot programs have shown success as more patients turn to convenience and leveraging technology when making healthcare decisions for themselves and their families.

### **OPPONENTS**

None reported.

## **ARGUMENTS IN OPPOSITION**

None registered.

#### **MORE INFORMATION**

By adding an "Automated Drug Delivery Systems Unit" to the California Business and Professions Code, SB 1447 creates a licensing program for the use of such automated devices (including caps on the numbers of each device per location; definitions for two types of ADDS; consolidates provisions with an eye toward improved accountability and expands the locations where ADDS devices may be utilized.

Modeled after a pilot program that has run by Sharp HealthCare in San Diego, the hospital system as well as pharmaceutical industry recognize the benefits to automated drug dispensing and the improved accountability and safety measures that may be instituted. Various studies have documented the improved drug adherence by patients when it is easier to obtain their prescriptions- thereby improving health outcomes. This bill clarifies where such ADDS may be used and how, as well as implements a licensing process with annual fees and inspection requirements.

ADDS have been in existence in a variety of forms for over a decade, and new technologies present new opportunities to enhance the way patients retrieve medications, with the hope that ease of retrieval may increase the access to medications and the patient's compliance in taking prescriptions appropriately.