

House of Representatives State of Utah

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February 21, 2007

Mr. Speaker:

The Health and Human Services Committee reports a favorable recommendation on **S.B. 160**, PHARMACY PRACTICE ACT AMENDMENTS, by Senator P. Knudson, with the following amendments:

1. P	age 4, Line 113 through Page 5, Line 124b:
113	"Unprofessional conduct" includes:
114	(1) willfully deceiving or attempting to deceive the division, the board, or their
	agents
115	as to any relevant matter regarding compliance under this chapter;
116	(2) (a) { except for price discounts [conditional] based upon [volume
	purchases: (a)]
117	purchase volumes paying rebates to practitioners or any other health care providers;
	and }
	except as provided in Subsection (2)(b):
	(i) paying or offering rebates to practitioners or receiving rebates from
	practitioners or any other health care provider; or
	(ii) paying, offering, or receiving compensation in the form of a commission,
	bonus, rebate, kickback, or split fee arrangement with practitioners or any other
	health care provider, for the purpose of obtaining referrals.
	(b) Subsection (2)(a) does not apply to:
	(i) giving or receiving price discounts based on purchase volume;
	(ii) passing along pharmaceutical manufacturer's rebates; or
	(iii) being compensated for providing dispensing, billing and related services to a
	veterinarian.
118	[(b) entering into any agreement with a medical practitioner or any other person for



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professional services of either party;

agency, or other

payment or acceptance of compensation or its economic equivalent for recommending the

{ (b) } Ŝ→ [providing to or receiving from a physician, surgeon, organization,



- 122 <u>person, either directly or indirectly, any form of compensation for the referral of a patient</u> to a
- 123 <u>pharmacy licensed under this chapter, including compensation in the form of a commission,</u>
- 124 <u>bonus, rebate, kickback, or split-fee arrangement;</u>] { for pharmacies and pharmacists not
- 124a <u>participating in Medicare or Medicaid, an act that would violate the Federal</u>

 <u>Anti-kickback</u>
- 124b Statute, 42 U.S.C. sec. 1320a-7b(b). ←\$

Respectfully,

Paul Ray Committee Chair

Voting: 6-0-2

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