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LEGISLATIVE ACTION

Senate

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House

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Floor: 1/AD/3R

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04/23/2010 10:13 AM

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Senator Gaetz moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 381.06014, Florida Statutes, is amended
to read:

381.06014 Blood establishments.—

(1) As used in this section, the term:

(a) "Blood establishment" means any person, entity, or
organization, operating within the state, which examines an
individual for the purpose of blood donation or which collects,
processes, stores, tests, or distributes blood or blood



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14 components collected from the human body for the purpose of
15 transfusion, for any other medical purpose, or for the
16 production of any biological product.

17 (b) "Volunteer donor" means a person who does not receive
18 remuneration, other than an incentive, for a blood donation
19 intended for transfusion, and the product container of the
20 donation from the person qualifies for labeling with the
21 statement "volunteer donor" under 21 C.F.R. 606.121.

22 (2) Any blood establishment operating in the state may not
23 conduct any activity defined in subsection (1) unless that blood
24 establishment is operated in a manner consistent with the
25 provisions of Title 21 parts 211 and 600-640, Code of Federal
26 Regulations.

27 (3) Any blood establishment determined to be operating in
28 the state in a manner not consistent with the provisions of
29 Title 21 parts 211 and 600-640, Code of Federal Regulations, and
30 in a manner that constitutes a danger to the health or well-
31 being of donors or recipients as evidenced by the federal Food
32 and Drug Administration's inspection reports and the revocation
33 of the blood establishment's license or registration shall be in
34 violation of this chapter and shall immediately cease all
35 operations in the state.

36 (4) The operation of a blood establishment in a manner not
37 consistent with the provisions of Title 21 parts 211 and 600-
38 640, Code of Federal Regulations, and in a manner that
39 constitutes a danger to the health or well-being of blood donors
40 or recipients as evidenced by the federal Food and Drug
41 Administration's inspection process is declared a nuisance and
42 inimical to the public health, welfare, and safety. The Agency



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43 for Health Care Administration or any state attorney may bring
44 an action for an injunction to restrain such operations or
45 enjoin the future operation of the blood establishment.

46 (5) A local government may not restrict the access to or
47 use of any public facility or infrastructure for the collection
48 of blood or blood components from volunteer donors based on
49 whether the blood establishment is operating as a for-profit
50 organization or not-for-profit organization.

51 (6) In determining the service fee of blood or blood
52 components received from volunteer donors and sold to hospitals
53 or other health care providers, a blood establishment may not
54 base the service fee of the blood or blood component solely on
55 whether the purchasing entity is a for-profit organization or
56 not-for-profit organization.

57 (7) A blood establishment that collects blood or blood
58 components from volunteer donors must disclose on the Internet
59 information to educate and inform donors and the public about
60 the blood establishment's activities. A hospital that collects
61 blood or blood components from volunteer donors for its own use
62 or for health care providers that are part of its business
63 entity is exempt from the disclosure requirements in this
64 subsection. The information required to be disclosed under this
65 subsection may be cumulative for all blood establishments within
66 a business entity. Disciplinary action against the blood
67 establishment's clinical laboratory license may be taken as
68 provided in s. 483.201 for a blood establishment that is
69 required to disclose but fails to disclose on its website all of
70 the following information:

71 (a) A description of the steps involved in collecting,



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72 processing, and distributing volunteer donations, presented in a
73 manner appropriate for the donating public.

74 (b) By March 1 of each year, the number of units of blood
75 components, identified by component, that were:

76 1. Produced by the blood establishment during the preceding
77 calendar year;

78 2. Obtained from other sources during the preceding
79 calendar year;

80 3. Distributed during the preceding year to health care
81 providers located outside this state. However, if the blood
82 establishment collects donations in a county outside this state,
83 distributions to health care providers in that county shall be
84 excluded. Such information shall be aggregated by health care
85 providers located within the United States and its territories
86 or outside the United States and its territories; and

87 4. Distributed to entities that are not health care
88 providers during the preceding year. Such information shall be
89 aggregated by purchasers located within the United States and
90 its territories or outside the United States and its
91 territories;

92
93 For purposes of this paragraph, the components that must be
94 reported include whole blood, red blood cells, leukoreduced red
95 blood cells, fresh frozen plasma or the equivalent, recovered
96 plasma, platelets, and cryoprecipitated antihemophilic factor.

97 (c) The blood establishment's conflict-of-interest policy,
98 policy concerning related-party transactions, whistleblower
99 policy, and policy for determining executive compensation. If a
100 change to any of these documents occurs, the revised document



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101 must be available on the blood establishment's website by the
102 following March 1.

103 (d)1. The most recent 3 years of the Return of Organization
104 Exempt from Income Tax, Internal Revenue Service Form 990, if
105 the business entity for the blood establishment is eligible to
106 file such return. The Form 990 must be available on the blood
107 establishment's website within 30 calendar days after filing it
108 with the Internal Revenue Service; or

109 2. If the business entity for the blood establishment is
110 not eligible to file the Form 990 return, a balance sheet,
111 income statement, statement of changes in cash flow, and the
112 expression of an opinion thereon by an independent certified
113 public accountant who audited or reviewed such financial
114 statements. Such documents must be available on the blood
115 establishment's website within 120 days after the end of the
116 blood establishment's fiscal year and must remain on the blood
117 establishment's website for at least 36 months.

118 Section 2. Subsection (11) is added to section 483.201,
119 Florida Statutes, to read:

120 483.201 Grounds for disciplinary action against clinical
121 laboratories.—In addition to the requirements of part II of
122 chapter 408, the following acts constitute grounds for which a
123 disciplinary action specified in s. 483.221 may be taken against
124 a clinical laboratory:

125 (11) A blood establishment that collects blood or blood
126 components from volunteer donors failing to disclose information
127 concerning its activities as required by s. 381.06014. Each day
128 of violation constitutes a separate violation and each separate
129 violation is subject to a separate fine. If multiple licensed



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130 establishments operated by a single business entity fail to meet
131 such disclosure requirements, the agency may assess fines
132 against only one of the business entity's clinical laboratory
133 licenses. The total administrative fine may not exceed \$10,000
134 for each annual reporting period.

135 Section 3. Subsection (23) of section 499.003, Florida
136 Statutes, is amended to read

137 499.003 Definitions of terms used in this part.—As used in
138 this part, the term:

139 (23) "Health care entity" means a closed pharmacy or any
140 person, organization, or business entity that provides
141 diagnostic, medical, surgical, or dental treatment or care, or
142 chronic or rehabilitative care, but does not include any
143 wholesale distributor or retail pharmacy licensed under state
144 law to deal in prescription drugs. However, a blood
145 establishment may be a health care entity and engage in the
146 wholesale distribution of prescription drugs under s.
147 499.01(2)(g)1.c.

148 Section 4. Subsection (21) of section 499.005, Florida
149 Statutes, is amended to read:

150 499.005 Prohibited acts.—It is unlawful for a person to
151 perform or cause the performance of any of the following acts in
152 this state:

153 (21) The wholesale distribution of any prescription drug
154 that was:

155 (a) Purchased by a public or private hospital or other
156 health care entity, except as authorized in s. 499.01(2)(g)1.c.;
157 or

158 (b) Donated or supplied at a reduced price to a charitable



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159 organization.

160 Section 5. Paragraphs (a) and (g) of subsection (2) of
161 section 499.01, Florida Statutes, are amended to read:

162 499.01 Permits.—

163 (2) The following permits are established:

164 (a) *Prescription drug manufacturer permit.*—A prescription
165 drug manufacturer permit is required for any person that is a
166 manufacturer of a prescription drug and that manufactures or
167 distributes such prescription drugs in this state.

168 1. A person that operates an establishment permitted as a
169 prescription drug manufacturer may engage in wholesale
170 distribution of prescription drugs manufactured at that
171 establishment and must comply with all of the provisions of this
172 part, except s. 499.01212, and the rules adopted under this
173 part, except s. 499.01212, that apply to a wholesale
174 distributor.

175 2. A prescription drug manufacturer must comply with all
176 appropriate state and federal good manufacturing practices.

177 3. A blood establishment as defined in s. 381.06014,
178 operating in a manner consistent with the provisions of Title 21
179 C.F.R. Parts 211 and 600-640, and manufacturing only the
180 prescription drugs described in s. 499.003(53)(d) is not
181 required to be permitted as a prescription drug manufacturer
182 under this paragraph or register products under s. 499.015.

183 (g) *Restricted prescription drug distributor permit.*—

184 1. A restricted prescription drug distributor permit is
185 required for:

186 a. Any person that engages in the distribution of a
187 prescription drug, which distribution is not considered



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188 "wholesale distribution" under s. 499.003(53) (a) .

189 ~~b.1.~~ Any A person who engages in the receipt or
190 distribution of a prescription drug in this state for the
191 purpose of processing its return or its destruction ~~must obtain~~
192 a ~~permit as a restricted prescription drug distributor~~ if such
193 person is not the person initiating the return, the prescription
194 drug wholesale supplier of the person initiating the return, or
195 the manufacturer of the drug.

196 c. A blood establishment located in this state that
197 collects blood and blood components only from volunteer donors
198 as defined in s. 381.06014 or pursuant to an authorized
199 practitioner's order for medical treatment or therapy and
200 engages in the wholesale distribution of a prescription drug not
201 described in s. 499.003(53) (d) to a health care entity. The
202 health care entity receiving a prescription drug distributed
203 under this sub-subparagraph must be licensed as a closed
204 pharmacy or provide health care services at that establishment.
205 The blood establishment must operate in accordance with s.
206 381.06014 and may distribute only:

207 (I) Prescription drugs indicated for a bleeding or clotting
208 disorder or anemia;

209 (II) Blood-collection containers approved under s. 505 of
210 the federal act;

211 (III) Drugs that are blood derivatives, or a recombinant or
212 synthetic form of a blood derivative; or

213 (IV) Prescription drugs identified in rules adopted by the
214 department that are essential to services performed or provided
215 by blood establishments and authorized for distribution by blood
216 establishments under federal law,



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218 as long as all of the health care services provided by the blood
219 establishment are related to its activities as a registered
220 blood establishment or the health care services consist of
221 collecting, processing, storing, or administering human
222 hematopoietic stem cells or progenitor cells or performing
223 diagnostic testing of specimens if such specimens are tested
224 together with specimens undergoing routine donor testing.

225 2. Storage, handling, and recordkeeping of these
226 distributions by a person permitted as a restricted prescription
227 drug distributor must comply with the requirements for wholesale
228 distributors under s. 499.0121, but not those set forth in s.
229 499.01212 if the distribution occurs pursuant to sub-
230 subparagraph 1.a. or sub-subparagraph 1.b.

231 3. A person who applies for a permit as a restricted
232 prescription drug distributor, or for the renewal of such a
233 permit, must provide to the department the information required
234 under s. 499.012.

235 4. The department may adopt rules regarding the
236 distribution of prescription drugs by hospitals, health care
237 entities, charitable organizations, or other persons not
238 involved in wholesale distribution, and blood establishments;
239 which rules are necessary for the protection of the public
240 health, safety, and welfare. The department may adopt rules
241 related to the transportation, storage, and recordkeeping of
242 prescription drugs which are essential to services performed or
243 provided by a blood establishment, including requirements for
244 the use of prescription drugs in mobile blood-collection
245 vehicles.



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246 Section 6. This act shall take effect July 1, 2010.

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249 ===== T I T L E A M E N D M E N T =====

250 And the title is amended as follows:

251 Delete everything before the enacting clause

252 and insert:

253 A bill to be entitled

254 An act relating to blood establishments; amending s.

255 381.06014, F.S.; defining the term "volunteer donor";

256 prohibiting local governments from restricting access to public

257 facilities or infrastructure for certain activities based on

258 whether a blood establishment is operating as a for-profit

259 organization or not-for-profit organization; prohibiting a blood

260 establishment from considering whether certain customers are

261 operating as a for-profit organization or not-for-profit

262 organization when determining service fees for selling blood or

263 blood components; requiring that certain blood establishments

264 disclose specified information on the Internet; amending s.

265 483.201, F.S.; providing for disciplinary action against

266 clinical laboratories failing to disclose specified information

267 on the Internet; providing a maximum annual administrative fine

268 that may be imposed annually against certain clinical

269 laboratories for failure to comply with such disclosure

270 requirement; amending s. 499.003, F.S.; revising the definition

271 of the term "health care entity" to clarify that a blood

272 establishment may be a health care entity and engage in certain

273 activities; amending s. 499.005, F.S.; clarifying provisions

274 prohibiting the unauthorized wholesale distribution of a



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275 prescription drug that was purchased by a hospital or other
276 health care entity, to conform to changes made by the act;
277 amending s. 499.01, F.S.; exempting certain blood establishments
278 from the requirements to be permitted as a prescription drug
279 manufacturer and register products; requiring that certain blood
280 establishments obtain a restricted prescription drug distributor
281 permit under specified conditions; limiting the prescription
282 drugs that a blood establishment may distribute with the
283 restricted prescription drug distributor permit; authorizing the
284 Department of Health to adopt rules; providing an effective
285 date.