

MINUTES

COMMERCE COMMITTEE - NEVADA STATE LEGISLATURE - 58TH SESSION

March 5, 1975

The meeting was called to order by Chairman Robinson at 3:15 P.M.

MEMBERS PRESENT: Mr. Benkovich  
Mr. Demers  
Mr. Getto  
Mr. Hickey  
Mr. Harmon  
Mr. Moody  
Mr. Schofield  
Mr. Wittenberg  
Mr. Chairman

MEMBERS ABSENT: None

SPEAKING GUESTS: Assemblyman Mann  
Bill Adams, Assistant City Manager, City of Las Vegas  
Russ Karsten, Hansen Mechanical Contractors, Inc.  
and Nevada Association of Mechanical Contractors  
Michael Melner, Director, Department of Commerce  
George T. Bennett, State Board of Pharmacy  
Keith W. MacDonald, Nevada State Pharmaceutical  
Association  
John Kimball, Advisory Commission for the Aged  
Earl Oliver, Legislative Counsel Bureau, Audit  
Division  
Larry McCracken, Employment Security Department  
Floyd Butler, Southern Nevada Pharmaceutical  
Society  
Mary Morrissey, Registered Pharmacist  
Bobby B. Rice, Nevada State Pharmaceutical  
Association  
Sharon Greene, Nevada Hospital Association  
Enrico Riffanti, hospital pharmacist  
R. K. Myles, M.D., Nevada Hospital Association  
Dick Thomas, Teamsters Union  
Lance Reginato, Retail Clerks Union #1434  
Edmund Ford, Registerd Pharmacist  
Joe Midmore, National Association of Chain Drug  
Stores

The purpose of this meeting was to hear testimony on the following bills:

- AB 222
- AB 257
- AB 279
- AB 307
- AB 309

Dr. Robinson first called for proponents of AB 222 which:

Changes personnel and authority of regional plumbing boards.

Assembly

COMMERCE COMMITTEE

MARCH 5, 1975

PAGE TWO

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Assemblyman Mann spoke in favor of this bill saying it came about at the request of about 10 plumbers in his district. This bill essentially changes some of the language in the law to meet the original intent of the legislature when it was originally past this law. He said an amendment Mr. Schofield had to the bill also met his approval. This amendment will change Section 2, Subsection 2a by providing that two members be journeyman plumbers and if the region contains any joint boards of plumbing examiners, the Governor shall consider appointing journeyman plumbers certified by such board. Two members shall be plumbing contractors actively engaged in business and licensed by the State Contractors Board. The only other change asked for by Mr. Mann was that these boards should have the right to have input to the local agencies. The reasons for these changes are that certified plumbers are included in the amendment because Clark County is the only area with such boards that certify and this type of wording would not create problems in the Northern areas where no such board exists. The reason for allowing input into these is because this was the original intent of setting up the Northern Regional Board and the Southern Regional Board. It was brought to my attention that they were being circumvented. So we just want to give them the opportunity to submit comments. He said this is attempt to make this board an active board rather than a board that really has no input.

Mr. Bill Adams who was speaking on behalf of the City of Las Vegas, the Nevada League of Cities and the Building Directors in the Clark County Area said that they were in accord with the bill with the proposed amendments by Mr. Schofield. He did wish to call the committee's attention to Section 4 pertaining to "60 days prior to adoption". He said he wanted to be sure it was understood that only draft proposals would be submitted to them because of the ordinance requirement that they cannot wait 60 days from the beginning of an ordinance until it is closed out. Our ordinances must be completed within 30 days. He thought this would still be within the intent of the bill.

Mr. Demers asked Mr. Adams exactly what the Board of Plumbers does and what power does it have. Mr. Adams replied that as it has been they really have not had any power but he felt with these changes they would have a function and could make comments constructively to the local organizations. He felt if a board is set up with people of knowlegde, there should be the opportunity of at least hearing from them.

Mr. Karsten spoke briefly that he and his association would agree to this bill with Mr. Schofield's amendments.

With no further discussion on this bill, AB 257 was then heard which:

Allows state board of pharmacy to require pharmacies to post prices for perscription drugs and give such prices to telephone callers.

Mr. Melner spoke on behalf of this bill stating it had come about as an effective tool to make price information available to consumers. He said a study was made by the Nevada Consumer League on retail pharmacies and the results disclosed that there was variation of prices up to as much as 119% on identical perscription items. He said there was no way to know the price of a perscription item at this point in time without going to the pharmacy and asking the pharmacy. The Board of Pharmacy and the Department of Commerce have worked together on this and they have come up with and will adopt by regulation a form of price posting which will be in book form available on the counter of the pharmacies. It will contain 100 of the most perscribed drugs in three quantities. This method is much more efficient and effective than the methods used in other states. It does away with posting and the problem the pharmacist has of keeping the list current. The pages will be enclosed in plastic and the pharmacist could use a grease pencil for the prices so that he could easily change prices. In addition to prices this book will contain valuable consumer information as to what other services the pharmacy provides such as personal medication records, delivery service, charge accounts, etc. This will especially be an aid to the senior citizen. He said at least 15 other states or jurisdictions require price posting. Dr. Robinson asked if there was a model state that this system was taken from. Mr. George Bennett answered that question saying to his knowledge this method was unique. He thought it a very good conceptual refinement and stated that the statutes should not be too specific. Mr. Schofield asked whose responsibility it was to distribute these books and at whose cost. Mr. Bennett said the Board of Pharmacy will supply the books and the paper so the books will be uniform and will absorb the cost in addition to policing the program since they do have the expertise. Dr. Robinson wondered if any penalties had been provided for in this statute for noncompliance and Mr. Bennett said there were and that they were misdemeanors as well as civil penalties.

Mr. Bennett continued speaking on AB 257 saying that the lead page in these books would contain the name of the pharmacy and the date. If any price changes were made, this date would have to be changed. A price list of this form will make it easy for the pharmacist to comply with this requirement. Mr. Benkovich wondered if this list was filed with anyone. Mr. Bennett said it was adequate to have it in the store because they have inspectors but that they could be required to file a copy with the Board. Mr. Bennett added that there are presently 143 pharmacists in the State of Nevada and there are three inspectors - one in Reno and two in Las Vegas. Mr. Schofield questioned Section 7 regarding fees. Mr. Bennett said this would merely allow the Board to charge for the booklet or whatever services they provide if they so desire. The Board will provide the loose leaf covers and the pages inside.

Keith McDonald then stated that the bill as written is quite satisfactory to the majority of pharmacists in the State with some exception to the section providing for telephone pricing.

Some stores do not give accurate prices over the phone and also competitors phone each other asking prices.

Mr. John Kimball said he would favor the passage of this bill and what it would mean to the senior citizen who may be home bound and that it would allow them to "shop around" for the best price.

This concluded discussion on this bill. Testimony then began on AB 279 which:

Provides certain controls over employment security fund and transfers revenue source to unemployment compensation fund.

Mr. Earl Oliver of the Legislative Counsel Bureau Audit Division testified regarding the Employment Security Fund and their audit of this fund and the recommendations that resulted from it. His testimony is attached in addition to a proposed amendment which would add to the existing statute that "The executive Director upon written notification that federal funds are not available to finance such expenditures shall, before expending money from this fund, obtain approval from the Employment Security Council for all expenditures of \$20,000.00 or more, and shall inform the Employment Security Council of all expenditures from this fund".

Dr. Robinson asked Mr. Oliver to explain what the fund is revolving for and what type of payments are made out of it. He said the fund was created as an emergency fund for use by the Director of the Employment Security Department. It was created back in the late 1930's. Interest and forfeitures paid by employers for arrears on regular reporting were isolated and designated to go into a fund call Employment Security Fund to cover those types of expenses that aren't reimbursed by the Federal Government or are not covered by some regular budget that the Department operates under. He explained there was no use of the money for almost twenty years. It just accumulated until it was probably \$200,000. Overall, the fund has about one half million dollars in it now. When it was first used, it was used for minor purchases but most significantly, in the late 1950's it was used to pay the prepaid first and last month lease rental for the three employment security buildings in Carson City, Reno and Las Vegas. There have been minor uses of the money since then - about \$2,000 per year - at the discretion of the Director. He said the fund now consists of cash, receiveables to be recovered from the Federal Government when these lease purchase contracts mature, and time certificate deposits. The bill that is being prepared speaks to limiting the fund by simply cutting off the flow of future money to the fund providing that such money go to the Compensation Fund along with all the other money employers contribute. If this bill is approved, there would be no further revenue from this source. The law already provides that these funds cannot be co-mingled. He said he could see no justification for this. He felt the money could be accounted



for through the regular accounting procedures and that it could be invested and earn interest as other funds and this interest could be apportioned as it is for other funds.

Dr. Robinson asked if the bill was passed would no further revenue go into the fund and would it eventually be dissipated and how would funds be acquired for future expenses such as those this fund is used for currently--would they have to be budgeted items?

Mr. Oliver said the funds could be appropriated from the General Fund or by diverting this type of money into a fund of this type again at some future time and rebuilding it.

Mr. Getto wondered if this money were diverted into the Compensation Fund if it could then be used for other purposes. Mr. Oliver said that now it can only be used for administrative purposes but if the money went into the Compensation Fund, it could be used for payment of benefits.

Larry McCracken then spoke in opposition to this bill. He said the bill as written includes major errors that will make the law conflict with itself. He requested the Commerce Committee to consider the Employment Security Department bill that is now being drafted as it was created by the Employment Security Council which is comprised of 3 members each from Labor, Management and the public. This bill would place new control on the Employment Security Fund but does not force the fund to dry up as does AB 279. Mr. McCracken's complete testimony is attached to these minutes.

Mr. McCracken went on to say this fund is essential to the administration of ESD. He said \$50,000 comes into this fund each year and this comprises less than 1% of the total administrative dollars they have. He said the amount of money in this fund would not substantially affect the fund used to pay benefits because they pay \$1.2 million in benefits per week. He said this money is very much needed to help in any emergency situations of which there are a great many each year. He said at one time there were audit exceptions for this agency and there are no State funds that will cover a Federal audit exception. This agency deals with essentially \$100 million per year. It takes in \$40 million, pay benefits of \$50 million and have administrative costs of \$7 million. He said they must have some funds available to cover audit exceptions.

Mr. McCracken said another area creating problems was that the Federal Budget was only firm for 6 months. Without this fund he would have to lay people off because he would have no funds for them until receiving Federal augmentation to the budget. He said this was a problem each and every year. He said this fund was also used for facility acquisition. He said they budget quarterly and he needed a fund he could go to quickly and added that most of this money was refunded. He felt the bill proposed by the Department would answer the major problem which is that the Director have additional controls placed on him.

He continued by saying the figure quoted in previous testimony of \$500,000 being in this fund was not really correct. There will be, he estimated beginning July 1, 1975 approximately \$80,000. This is cash. When you talk about a one half million dollar fund you are talking about 40 years of accumulated money that has been spent for facilities, for capital investments and many different items. Therefore, all that money will not be available in cash leaving about \$84,000 to \$85,000 beginning July 1. He went on to say there are probably other assets but they may be in the form of a desk or other depreciated items. Dr. Robinson said the question is, where is the rest of this one half million dollars and can it be accounted for. Mr. Schofield asked what the balance was in the fund at the end of the 1974 audit. Mr. McCracken replied that at June 30, 1974, the balance was \$254,000. He said a major item of purchase is a System Three Computer which is a \$70,000 item. He said the facilities have not been sufficient to accommodate the increased numbers of people they must deal with so much of these monies have been directed to that purpose. Mr. Wittenberg wondered why this fund has not been shown on the budget. Mr. McCracken said that it now is and the reason it has not been in the past is because it has always been a quasi State/Federal agency rather set apart from other agencies. Mr. Wittenberg replied there were other agencies that handled both State and Federal funds that have been included on the budget and he felt that perhaps this was the reason a bill like AB 279 keeps coming up. Mr. McCracken said he felt all this should be out in the open. They had never been audited before and they were happy to have it and it disclosed the funds had not been misused. Mr. Hickey asked if there were refunds from the Federal Government for audit exceptions. Mr. McCracken said these were for mistakes made by the department and not refunded by the Federal Government.

Dr. Robinson said any action on this bill would be deferred until the other BDR was received for the committee's perusal and he said the hearing on this bill would not be concluded and the committee would begin to hear testimony on AB 307 which:

Defines "pharmaceutical technician" and establishes employment criteria.

Mr. Floyd Butler spoke on behalf of this bill saying the public has the right to expect his drug needs to be engaged by no one less than a pharmacist. Technicians are used because of the money and profit factor because they are employed at a much lesser salary than a pharmacist. Also, even though they get drugs at a much reduced rate, hospitals also are using technicians. This is at the expense of "John Q. Public's" health. Use of technicians was abused by certain elements in the drug business and produced a strike in the Reno area recently. The Sierra Nevada Pharmaceutical Association voted against the use of technicians behind the prescription counter by 84.6%. He added that the Northern Nevada Pharmaceutical Association voiced a still greater opposition. California pharmaceutical groups have also made absolute protests against the chains who misuse technicians in order to save a dime. He said his group discussed a compromise and agreed that if technicians to work in hospital pharmacies it would have to be in in-patient facilities only and not in any respect

for retail purposes. He said they could live with this only if in-patient and out-patient services were physically separated within the hospital with separate licenses for each in order to prevent hospitals to misuse technicians. They would also expect the Nevada Pharmacy Code to regulate and define what a technician may or not perform.

Mary Morrissey, a pharmacist, spoke in favor of this bill stating that the use of technicians grossly increased the possibility and probability for errors and the public is paying for the professional expertise of a pharmacist so they should deserve to receive just that. Ms. Morrissey's complete testimony is attached for further detail.

Mr. Demers said that in previous testimony the committee was told technicians are only used to type labels, pulling a perscription out of a master jar and setting the label and bottle up for the pharmacists inspection. He wondered if independent judgment is being used by technicians. Ms. Morrissey said if a pharmacist does not go through all the steps of preparing a perscription themselves, the chance for error is great. Also, if a pharmacist is just checking what someone else has done, it soon becomes a blur and again chance for error goes up. Mr. Demeres asked if technicians were required to interpret a doctor's writing. She said they were and they would not be able to recognize an overdose because they have usually had no formal training. Mr. Getto asked where technicians were being used and she said she understood there are some being used in stores in Reno but Sharon Greene interjected that the law specifically requires that they can be used in hospitals only. If they are being used elsewhere, it is not in accordance with the law.

Mr. Bob Rice then spoke saying most pharmacists agree with the necessity of hospital pharmacy technicians and they also agree on the necessity for regulation of hospital pharmacy technicians. It is vital to the public health and welfare that guidelines be established for the hospital pharmacy technicians which will prevent their abuse while permitting their proper use. They feel the only logical solution is to require proper supervision of a hospital pharmacy technical by a registered pharmacist at all times. In order to accomplish this, they feel the distractive commercial pressure of the retail business must be eliminated from hospital pharmacy. He said the hospital patient pays for their professional care and it is their duty to provide it. When asked by Mr. Wittenberg if amendments restricting technicians use would be acceptable to them, Mr. Bob Broadbent interjected that Sharon Greene had an amendment that with a few changes they could probably live with.

Mr. Keith McDonald said the Nevada State Pharmacy Association is in support of AB 307 because they were opposed to the use of technicians in out-patient hospital facilities and in retail outlets. When the strike occurred in Reno recently, 6,000 people signed a petition supporting pharmacists against technicians being used in pharmacies and drug stores so he assumed technicians were being used at that time. He felt the law should be strong in preventing technicians from working in the pharmacies.



Sharon Greene, Executive Director of the Nevada Hospital Association, spoke in opposition to the bill. She supports the use of technicians in hospitals because hospital practice of pharmacy is substantially different from the community practice of pharmacy. She said use of hospital technicians frees the pharmacist to be a member of the medical team and also to reduce the cost of running a hospital pharmacy as well as improve patient care. Her complete testimony is attached along with a proposed amendment which would perhaps make the bill more palatable to those who do not support the inserting of technicians at the present time. She added that there are presently 20 pharmaceutical technicians in the State which she said would correct the number of 9 which she had previously informed the committee.

Dr. Robinson then asked Ms. Greene and Mr. Broadbent to get together in order to draft a final amendment that would be palatable to both.

Mr. Rick Riffanti who is the Chief Pharmacist at St. Mary's Hospital spoke in opposition to this bill saying pharmacists must assume a new role in the hospitals becoming a member of the health care team. The use of technicians allows the pharmacist to take patient's administration history, advise doctors on drug therapy and accompany the doctors on their rounds, drug/drug and drug/lab interactions, and discharge counselling. This is the new role and it works very effectively. Mr. Getto asked if they had an out-patient pharmacy at St. Mary's and he said they did fill a very limited number of this type of perscription and added that they do as a service to employees fill their perscriptions and at a reduced rate. Mr. Demers asked how many perscriptions were filled there each day. Mr. Riffanti said an average of perhaps 100 to 150 per day and that they have two technicians which would make the ratio of 1 to 1 1/2 technicians to every 3 pharmacists. He said if you get over a 1 to 1 ratio, the pharmacy cannot function adequately.

Dr. Robert Myles spoke in favor of the use of technicians in hospitals. He was speaking generally in opposition to the bill. He felt technicians were a necessary element to maintain the ceiling on medical costs. He said the hospitals in Reno are anywhere from \$10 to \$25 cheaper per day than hospitals of comparable size in California (speaking of St. Mary's and Washoe Medical Center). Mr. Getto asked how many technicians were employed at these medical centers. He replied that one was employed at Washoe Medical Center. Mr. Getto then asked if there was a shortage of pharmacists. Mr. McDonald spoke in answer to that question stating California had instituted a technical law that caused many pharmacists to be out of work. He went on to say there is an abundance of pharmacists. In answer to Mr. Wittenberg's question, the committee was told a technician makes approximately \$6,000 to \$7,000 per year and a pharmacist makes approximately \$15,000 to \$19,000. Mr. Wittenberg wondered if this additional cost would not be well worth it to insure to the public that all medicine was being dispensed by a registered pharmacist. Dr. Myles did not feel sure this would improve the patient care and this is time the pharmacist could be spending with the doctor.



Mr. Bennett then spoke to state the position of the Nevada State Board of Pharmacy. At a recent meeting, they decided to amend Regulation No. 17.00 regarding pharmaceutical technicians. A copy of those proposed amendments as well as the present Regulation No. 17.00 is attached hereto. He said the Board is taking a "middle ground" and they propose to put these amendments into Reg. No. 17.00 unless the committee decides to make it part of the law.

Discussion was then concluded on AB 307 and continued to AB 309 which:

Required pharmacy located in certain establishments to remain open for same period as establishment and deletes provision authorizing absence of pharmacist from pharmacy.

Mr. Dick Thomas of the Teamsters Union in Las Vegas spoke in favor of this bill and not having differential hours. He said the people that closure would hurt most are the people who can least afford it.

Mr. Lance Reginato spoke and presented a petition that had been taken during the recent strike in Reno with over 6000 names collected on this petition which read:

"We the undersigned are sincerely concerned over the issues which prompted Reno area pharmacists to strike their employer. We do not want technicians or any other un-professionals performing pharmaceutical duties. Nor do we want pharmacies enclosed which will ultimately lead to limited hours of service to the public."

These signatures were collected in seven different locations from the hours of 8 hours per day for five days. He said he felt this petition clearly stated how the consumers in the State of Nevada feel and he strongly urged the passage of AB 309.

Mary Morrissey also spoke in favor of AB 309. Her complete testimony is attached hereto.

Mr. Edmund Ford who is a Reno pharmacist then spoke. He felt that closure is strictly a financial situation with the chain stores. They have no interest in the general public whatsoever. It is a matter of doing all they can with one man on one shift. He felt these were all out of state firms and did not include any firms from Nevada.

Mr. Floyd Butler spoke as a proponent to AB 309. His complete testimony is attached hereto.

Dr. Robinson asked if chain drug stores purchased drugs at a lesser price. Mr. Butler said they did because they purchased larger quantities and also had out of state warehouses. He also said if a drug store no longer had a pharmacy in it, it could no longer be called a "drug" store. Mr. Broadbent then added that what brought all of this on was a flaw in the law which if they took down their drug signs, they could close. He said at least a dozen stores have already done this so they could have

closure and thus prevent the public from the availability of drug service during all the store's hours.

Dr. Robinson asked if this bill was passed if he could foresee some of these chain stores closing their pharmacies entirely. He replied that he did not foresee this although it could happen but he said this was not the objective of the bill.

Mr. McDonald then spoke saying closure hours are not just eight hours but they could be 6 or 4 and they have even plans for roving pharmacists. These are the things to be prevented. The quality of care has gone down in the rush to fill perscriptions within the working hours and in addition to that, they are, in addition to that selling perscriptions at average wholesale prices, they do not even care if they make a profit.

Mr. George Bennett spoke saying he was in support of the concept of this bill and feels closure is not in the interest of the public. It is inconvenient for many consumers. The State Board of Pharmacy is in support of this bill.

Joe Midmore, who represents opponents to this bill, said they did what to present a case. However, some of their spokesmen were not able to be present. He asked if it would be possible for them to present supplementary testimony. This bill should not be given consideration until both sides have been heard.

Chairman Robinson said since AB 309 was almost identical to SB 203, the committee would defer action on the bill until it was determined what transpires with SB 203. At that point Mr. Wittenberg stated he was definitely opposed to this method of testimony and Mr. Demers said he was also in concurrence with that statement.

Mr. Hickey then moved for adjournment. This motion was seconded by Mr. Getto and unanimously carried the committee.

Dr. Robinson adjourned this meeting at 6:15 P.M.

Respectfully submitted,

Joan Anderson, Secretary

ASSEMBLY  
HEARING

0093

COMMITTEE ON ..... COMMERCE .....

Date March 5, 1975 Time 3:00 P.M. Room 316 .....

Bill or Resolution  
to be considered

Subject

- DO PASS AS AMENDED*  
*DO PASS*
- AB 222 Changes personnel and authority of regional plumbing boards.
- AB 257 Allows state board of pharmacy to require pharmacies to post prices for prescription drugs and give such prices to telephone callers.
- AB 279 Provides certain controls over employment security fund and transfers revenue source to unemployment compensation fund.
- AB 307 Defines "pharmaceutical technician" and establishes employment criteria.
- AB 309 Requires pharmacy located in certain establishments to remain open for same period as establishment and deletes provision authorizing absence of pharmacist from pharmacy.

0103  
Proposed  
Amendments  
TO AB 222

ASSEMBLY /~~SENATE~~ AMENDMENT BLANK

Amendments to Assembly /~~SENATE~~

Bill /~~SENATE~~ No. 222 (BDR 40-405)

Proposed by Assemblyman Schofield

Amendment N<sup>o</sup> 4532

Amend sec. 2, page 1, by deleting lines 19 through 21 and inserting:

"(a) [Three] Two members shall [be persons with knowledge of the plumbing industry.] be journeyman plumbers, and if the region contains any joint boards of plumbing examiners the governor shall consider appointing journeymen plumbers certified by such board.

(b) [One member shall represent the public at large.] Two members shall be plumbing contractors actively engaged in business and licensed by the state contractors' board."

AS Form 1a (AMENDMENT BLANK)

3044A

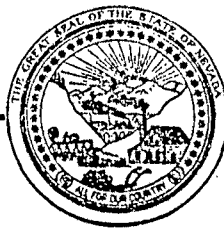


Drafted 3-4-75 By JNK

To Xerox  
(1) CB



STATE OF NEVADA  
LEGISLATIVE COUNSEL BUREAU  
LEGISLATIVE BUILDING  
CARSON CITY, NEVADA 89701



EARL OLIVER  
LEGISLATIVE COMMISSION  
LAWRENCE E. JACOBSEN, Assemblyman, Chairman  
INTERIM FINANCE COMMITTEE  
FLOYD R. LAMB, Senator, Chairman

0104

ARTHUR J. PALMER, Director

PERRY P. BURNETT, Legislative Counsel  
EARL T. OLIVER, Legislative Auditor  
ARTHUR J. PALMER, Research Director

December 6, 1974

RE: AB 279

Senator Floyd R. Lamb  
P.O. Box 7498  
Las Vegas, Nevada 89101

Dear Senator Lamb:

During the 1973 Legislative Session, Assembly Bill 687 was introduced. The bill proposed to abolish the Employment Security Fund and to transfer all of the moneys in this Fund to the Unemployment Compensation Fund and to create an Employment Security Revolving Fund. AB 687 passed the Assembly and was first heard and approved by the Senate Finance Committee at their meeting on April 17, 1973. However, after hearing further testimony by representatives of the Employment Security Department and their promise to adopt a regulation defining and limiting the Fund, the Senate Finance Committee indefinitely postponed further consideration of AB 687 at your Committee meeting of April 24, 1973.

Pursuant to these actions and agreements, the Employment Security Department prepared and adopted Regulation ESD #1 on June 14, 1973. The regulation provided that:

1. Commencing with July 1, 1973 and on the first day of each quarter thereafter, the Executive Director shall determine the balance of moneys on hand in the Employment Security Fund.
2. On July 1, 1973 and on the first day of each quarter thereafter, any balance on moneys in excess of \$200,000.00 remaining in the Employment Security Fund shall be transferred to and deposited in the Unemployment Compensation Fund.

We were authorized by the Legislative Commission to audit the Employment Security Fund in May of 1973 and we presented our audit to them at their regular meeting of July 5, 1973. The audit report pointed out that Regulation ESD #1 was not effective in controlling the Fund's balance.

We recommended that the Employment Security Department should prepare and present to the members of the 1975 Legislature, for their consideration, legislation restricting, in accordance with generally accepted accounting principles, the size of the Fund.

0105

The Employment Security Department has prepared the attached proposed amendment to NRS 612.615 and obtained approval of their proposal from the Employment Security Council and the Governor. They made this copy available to our office so that we would be advised of their actions.

Frankly, their proposed amendment will not limit the size or use of the assets in this Fund. Their amendment does provide for additional approval by the Employment Security Council for expenditures from the Fund of \$20,000.00 or more.

Also, the Department has prepared and released comparative financial statements for the Fund at June 30, 1974. This type of financial reporting should do a great deal towards informing Legislators and other interested citizens what the Employment Security Fund consists of and the nature of its revenues and expenses.

We were also informed that the Department's anticipated use of this Fund's assets will be included in the Governor's budget and will be subject to budget control.

We feel that the Department's actions are commendable; but do not go to the heart of the issue and the request of the Senate Finance Committee which was an agreement to actually limit the Fund's assets. Therefore, we have prepared for your consideration the attached proposed amendment which we will transmit to the Legislative Counsel as a bill drafting request if it meets with your approval.

Respectfully,

*Earl T. Oliver*

Earl T. Oliver, C.P.A.  
Legislative Auditor

ETO:mn  
Enclosure

*At a meeting with Senator Lamb in his office on December 9<sup>th</sup>, 1974, he instructed me to have a bill drawn that would limit the size of this fund and put any and all expenditures from it under legislative review, first with a budget and secondly by Interim Finance for unbudgetted emergency uses.*

*Earl T. Oliver*

*12-10-74*

## BILL \_\_\_\_\_

PROPOSED AMENDMENT TO CHAPTER 612, UNEMPLOYMENT COMPENSATION  
EMPLOYMENT SECURITY FUND

612.615 Creation fund; source and use of funds.

1. There is hereby created in the state treasury a special fund to be known as the employment security fund.

2. All interest and forfeits collected under NRS 612.620 to 612.675, inclusive, and 612.740 shall be paid into this fund.

3. All moneys which are deposited or paid into this fund are hereby appropriated and made available to the executive director. Such moneys shall not be expended or made available for expenditure in any manner which would permit their substitution for, or a corresponding reduction in, federal funds which would, in the absence of such moneys, be available to finance expenditures for the administration of the employment security laws of the State of Nevada. \*The executive Director upon written notification that federal funds are not available to finance such expenditures shall, before expending money from this fund, obtain approval from the Employment Security Council for all expenditures of \$20,000.00 or more, and shall inform the Employment Security Council of all expenditures from this fund.

4. Nothing in this section shall prevent such moneys from being used as a revolving fund to cover expenditures, necessary and proper under the law, for which federal funds have been duly requested but not yet received, subject to the repayment to the fund of such expenditures when received.

5. The moneys in this fund shall be used by the executive director for the repayment of costs of administration which are found not to have been properly and validly chargeable against federal grants received for or in the unemployment compensation administration fund.

6. All moneys in this fund shall be deposited, administered and disbursed in the same manner and under the same conditions and requirements as are provided by law for other special funds in the state treasury.

7. Any balances in this fund shall not lapse at any time, but shall be consistent with this chapter.

8. Moneys in this fund shall not be commingled with other state funds, but shall be maintained in a separate account on the books of the depository.

\* Underscore is added to existing statute.

TO Earl Oliver, Legislative Auditor DATE October 23, 1974  
FROM T. V. Chamberlain, Chief of Financial Management SUBJECT Addendum to ESD State Biennial Budget '75-77  
*T. V. Chamberlain*

As per our recent conversation please find attached financial statements of the Employment Security Fund, as follows:

1. Comparative Statement of Financial Condition as of 6/30/74;
2. Summary of Receipts and Disbursements at 6/30/74;
3. Comparative Statement of Income and Expense for Fiscal Years Ending June 30, 1974;
4. Listing of anticipated expenditures from the fund for the period 7/1/74 to 6/30/75;

We will contact you soon in connection with our recommendations for legislation regarding the Employment Security Fund.

ma

Attachments

cc: AS



NRS 612.615 created a special fund in the State Treasury called the Employment Security Fund. All interest and forfeits collected under NRS are paid into this fund.

All monies which are deposited or paid into this fund are appropriated and made available to the Executive Director for payment of administrative expenditures deemed necessary and proper under the law. There is positive control of the fund by virtue of the Executive Director not being able to use the fund unless Federal funds are not available and the Director is in possession of Federal approval to spend monies from the fund.

The law provides that the fund may be used as a revolving fund to cover expenditures for which Federal funds have been requested but not yet received, subject to repayment to the fund when received.

All monies in this fund are deposited, administered and disbursed in the same manner and under the same conditions and requirements as are provided by law for other special funds in the State Treasury.

The monies in this fund are used by the Executive Director for the payment of costs of administration which are found not to have been properly and validly chargeable against Federal grants received for or in the Unemployment Compensation Administration Fund.

Historically, monies in the fund have accumulated since about 1935 with the various Executive Directors taking an extremely conservative attitude toward

the fund. The latter occurred because there is Federal control on the fund and because the fund is the only resource available to the Executive Director for recovering from "audit exceptions" handed the department which may come about because of Federal or State audits.

STATE OF NEVADA  
EMPLOYMENT SECURITY FUND  
COMPARATIVE STATEMENT OF FINANCIAL CONDITION  
AT June 30, 1974

	<u>1974</u>	<u>1973</u>	<u>1972</u>
<u>ASSETS</u>			
<u>Current</u>			
Money in State Treasury	\$ 54,189.71	\$104,478.81	\$ 54,022.02
Petty Cash Fund	125.00	125.00	125.00
Money in Bank-Time Deposit	<u>255,000.00</u>	<u>150,000.00</u>	<u>150,000.00</u>
Money Sub-total	\$309,314.71	\$254,603.81	\$204,147.02
Accrued Interest Receivable	3,371.14	1,176.07	6,260.69
Advances Short Term Loans	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
	<u>\$312,685.85</u>	<u>\$255,779.88</u>	<u>\$210,407.71</u>
<u>Fixed</u>			
Land - Carson City	\$ 39,492.14	\$ 39,492.14	\$ 24,519.75
Leasehold Improvements	2,866.00	3,822.00	4,778.00
Furniture & Equipment	<u>56,171.45</u>	<u>56,617.45</u>	<u>56,953.74</u>
	<u>\$ 98,529.59</u>	<u>\$ 99,931.59</u>	<u>\$ 86,251.49</u>
<u>Other</u>			
Deposits, Long Term Loans	<u>\$104,255.33</u>	<u>\$101,771.79</u>	<u>\$101,771.79</u>
TOTAL	<u>\$515,470.77</u>	<u>\$457,483.26</u>	<u>\$398,430.99</u>

STATE OF NEVADA  
EMPLOYMENT SECURITY FUND  
SUMMARY OF RECEIPTS & DISBURSEMENTS  
AT June 30, 1974

FY'74

RECEIPTS

Penalties & Interest Collected	\$ 50,221.07
Interest on Certificate of Deposit	13,844.78
Disposal of Equipment	<u>140.00</u>
	\$ 64,205.85

DISBURSEMENTS

1/2 Charge for IAPES Service Pins	\$ 50.00
Film Dev. & Proof Sheets (IAPES)	4.50
Purchase Time Certificates	105,000.00
U. S. Dept. of Labor (Audit)	6,929.00
Repair Sump Pump	27.91
Nick Pino, Consultant (Reimbursable)	<u>2,483.54</u>
	\$114,494.95
Balance Forward from 1973	\$ 104,478.81
Receipts	64,205.85
Disbursements	<u>(114,494.95)</u>
Balance June 30, 1974	<u>\$ 54,189.71</u>



STATE OF NEVADA  
EMPLOYMENT SECURITY FUND  
COMPARATIVE STATEMENT OF INCOME & EXPENSE  
For Fiscal Years Ending June 30, 1974

	<u>1974</u>	<u>1973</u>	<u>1972</u>
<u>INCOME</u>			
Penalty Contributions, Interest and Forfeits	\$ 50,221.07	\$ 57,373.32	\$ 24,239.45
Interest Earned on Investments	<u>16,039.85</u>	<u>6,221.15</u>	<u>8,122.21</u>
Total Income	<u>\$ 66,260.92</u>	<u>\$ 63,594.47</u>	<u>\$ 32,361.66</u>
<u>EXPENSE</u>			
Amortization of Leasehold Improvement	\$ 956.00	\$ 956.00	\$ 956.00
Depreciation of Equipment	306.00	307.79	441.83
Repairs & Replacements	27.91	38.41	864.61
Rental-Office Space	-0-	3,240.00	810.00
Supplies	-0-	-0-	333.75
Miscellaneous Expense			
Federal Audits	\$6,929.00		
IAPES Pins	50.00		
IAPES Film Dev.	<u>4.50</u>		
	<u>6,983.50</u>		
Total Expense	<u>\$ 8,273.41</u>	<u>\$ 4,542.20</u>	<u>\$ 3,406.19</u>
Net Income	<u>\$ 57,987.51</u>	<u>\$ 59,052.27</u>	<u>\$ 28,955.47</u>

At June 30, 1974 there was \$309,314.71 available to expend for the administration of the Nevada Employment Security Department for needs not covered by Federal funding. The statement below is a summary of anticipated needs in Fiscal Year 1975.

Available Funds:      *Cash*

309,189.71  
~~\$ 309,314.71~~  
~~312,560.85~~

Anticipated needs to be encumbered in FY'75.

1. IBM System 3-CPU to be utilized in connection with the conversion to the central computer facility.      \$ 70,000.00
  
2. Las Vegas Casual Labor Office - to replace a facility which is in deplorable condition and in a poor location. The facility will better serve the needs of the people in the Las Vegas area. (The fund will be repaid by charging rent to Department of Labor on the basis of amortizing the building over a 25 year period or by lump sum payments if funds become available earlier.) \$ 120,000.00
  
3. Remodel and renovate Las Vegas Office - to improve client facilities that will provide better service and relationship to the client.      \$ 35,000.00
  
4. Parking Lot Reno - present parking at the Reno office will not be available when the lease purchase on this building expires November 1977 and Employment Security Department becomes legal owner. The present parking area will revert to the original owners on this date. \$ 65,000.00

*yes  
 Howard  
 Barrett  
 informs  
 us this  
 will be in  
 the budget?*

*Capital  
 Improve*

5. Other Miscellaneous Expense.	\$ <u>7,000.00</u>
BALANCE	\$ <del>12,314.71</del>
Add accrued interest income at June 30, 1974.	\$ 3,371.14
Add anticipated income for FY'75 penalties and interest collections.	\$ 51,000.00
Estimated interest on certificates of deposits - FY'75.	\$ <u>9,700.00</u>
Estimated balance forwarded at June 30, 1975.	\$ 76,385.85

Penalty interest, forfeits income, income from investment and the need for Employment Security Department administrative expenditures not covered by Federal funding varies from year to year and cannot be forecast more than about six months to a year in advance. Therefore, estimated future needs cannot be predicted beyond this period of time.

EMPLOYMENT SECURITY FUND

0115

NRS 612.615 created a special fund in the State Treasury called the Employment Security Fund. All interest and forfeits collected under NRS are paid into this fund.

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## MEMORANDUM

STATE OF NEVADA  
EMPLOYMENT SECURITY DEPARTMENT

TO Earl Oliver, Legislative Auditor

DATE October 23, 1974

0116

FROM T. V. Chamberlain, Chief of Financial Management

Addendum to ESD State Biennial

SUBJECT Budget '75-77

As per our recent conversation please find attached financial statements of the Employment Security Fund, as follows:

1. Comparative Statement of Financial Condition as of 6/30/74;
2. Summary of Receipts and Disbursements at 6/30/74;
3. Comparative Statement of Income and Expense for Fiscal Years Ending June 30, 1974;
4. Listing of anticipated expenditures from the fund for the period 7/1/74 to 6/30/75;

We will contact you soon in connection with our recommendations for legislation regarding the Employment Security Fund.

ma

Attachments

cc: AS

the fund. The latter occurred because there is Federal control on the fund and because the fund is the only resource available to the Executive Director for recovering from "audit exceptions" handed the department which may come about because of Federal or State audits.



STATE OF NEVADA  
EMPLOYMENT SECURITY FUND  
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AT June 30, 1974

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<b>TOTAL</b>	<u><u>\$515,470.77</u></u>	<u><u>\$457,483.26</u></u>	<u><u>\$398,430.99</u></u>

0119

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SUMMARY OF RECEIPTS & DISBURSEMENTS  
AT June 30, 1974

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*yes, Howard Barrett informs us this will be in the budget?*

*Capital Improve*

5. Other Miscellaneous Expense.	\$ <u>7,000.00</u>
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March 5, 1975

0123

RE: AB 279

ESD TESTIMONY ON  
AB-279  
EMPLOYMENT SECURITY FUND

I AM LAWRENCE O. McCracken, REPRESENTING THE EMPLOYMENT SECURITY DEPARTMENT.

THE EMPLOYMENT SECURITY DEPARTMENT OPPOSES THE PROPOSED CHANGES PROVIDED IN ASSEMBLY BILL 279 BECAUSE THE BILL AS WRITTEN INCLUDES MAJOR ERRORS THAT WILL MAKE THE LAW CONFLICT WITH ITSELF.

THIS BILL WAS GENERATED BY EARL OLIVER OF THE LEGISLATIVE COUNSEL BUREAU. MY STAFF AND I WORKED WITH MR. OLIVER ON THREE OCCASIONS IN ATTEMPTS TO WRITE A BILL THAT WOULD COMPLY WITH LEGISLATIVE INTENT. ESD HAD NO PART OF CREATING THIS PARTICULAR BILL, BUT HAS A BILL THAT IS IN THE BILL DRAFTER'S OFFICE AND WHICH BETTER SATISFIES THE INTENT OF THE 1973 LEGISLATIVE SESSION.

THIS BILL RELATES TO TWO FUNDS:

1. THE UNEMPLOYMENT COMPENSATION FUND (612.585):

- a) CLEARING ACCOUNT (612.590)
- b) UNEMPLOYMENT TRUST FUND ACCOUNT (612.590)
- c) BENEFIT ACCOUNT (612.590).

2. THE EMPLOYMENT SECURITY FUND (612.615)

THIS FUND IS USED TO ADMINISTER CHAPTER 612 OF NRS WHEN FEDERAL FUNDS ARE NOT MADE AVAILABLE FOR SUCH ADMINISTRATION. WHEN ESTABLISHED, THE FUND WAS PRIMARILY INTENDED TO COVER FEDERAL AUDIT EXCEPTION COSTS. IF THE FUND WERE NOT IN EXISTENCE, FUNDS WOULD HAVE TO BE REQUESTED FROM STATE GENERAL FUNDS TO COVER FEDERAL AUDIT EXCEPTIONS OR EMERGENCIES NOT COVERED BY FEDERAL GRANTS.

ESD TESTIMONY ON AB-279 EMPLOYMENT SECURITY FUND  
PAGE TWO  
MARCH 5, 1975

0124

THIS BILL DIVERTS NEW REVENUES FROM THE EMPLOYMENT SECURITY FUND TO THE UNEMPLOYMENT COMPENSATION FUND WHICH WILL CAUSE THE FORMER FUND TO DRY UP AS IT IS USED WITH NO NEW INCOME. FUNDS USED OUT OF THE EMPLOYMENT SECURITY FUND ARE NOT NECESSARILY ALWAYS REPLENISHED BY THE DEPARTMENT OF LABOR. ALSO THIS ACTIVITY OF ALLOWING THE EMPLOYMENT SECURITY FUND TO DWINDLE IS IN CONFLICT WITH PAGE 2. STARTING AT LINE 30 WHICH PROVIDES, "4. ANY BALANCES IN THIS FUND SHALL NOT LAPSE AT ANY TIME...." THE EMPLOYMENT SECURITY FUND WILL LAPSE OR DROP IF THE BILL IS PASSED AS IS.

I REQUEST THIS COMMITTEE CONSIDER THE ESD BILL THAT IS NOW IN THE BILL DRAFTER'S OFFICE AS IT WAS CREATED AND SUBMITTED BY THE EMPLOYMENT SECURITY COUNCIL WHICH IS COMPRISED OF 3 MEMBERS EACH FROM LABOR, MANAGEMENT AND THE PUBLIC. THIS LATER BILL PLACES NEW CONTROL ON THE EMPLOYMENT SECURITY FUND BUT DOES NOT FORCE THE FUND TO DRY UP AS DOES ASSEMBLY BILL 279.



MORRISSEY  
0125

A.B. 307

MORRISSEY

TECHNICIANS

I am here in support of AB 307. I feel it is imperative that pharmacy technicians be limited strictly to clerical and ministerial duties, which require no exercise of judgement or decision making. Technicians grossly increase the possibility and probability of errors in the dispensing of prescriptions. The term technician in itself, is deceiving, as it relates to pharmacy. It implies a formal education and a background in the health sciences and nothing could be further from the truth. As it currently stands, there are no training or educational requirements and the totally unqualified person can put on a white jacket and be termed a technician. Let's not allow pharmacy to go the way of the nursing homes, where the use of unqualified ancillary help has led to a shocking rate of 30 to 50% medication errors. The pharmacist responsible for the actions of the technician legally liable for the work they do. If a technician makes an error and it goes undetected, that pharmacist will be liable. The pharmacist's liability insurance will not cover errors made by technicians, so that the pharmacist who works with technicians, works without liability insurance. A most unequitable situation.

The United States seems to be headed in the direction of decaying standards for their health care services and I would like to quote a short article from the December 1, 1974 issue of U.S. Medicine.-----

The public is paying for the professional expertise of a pharmacist when they buy their prescription and any less is a tragic deception. Dollars and cents savings to the public by the use of technicians is extremely dubious! Healthier profit margins will be more the reality. Surely, the consuming public deserves a better break!

Thank you.

**Major New Navy  
Ambulatory Care  
Clinic Is Opened**

SAN DIEGO—The Navy has begun its second major ambulatory health care program using specially trained nurses and technicians to monitor chronic and minor illnesses.

The program at the Naval Regional Medical Center here is patterned after one in operation in the center at Portsmouth, Va.

An initial group of 10 hospital corpsmen will be trained as "minor illness technicians" for initial evaluation and treatment of flu, colds, lower urinary tract infection, etc.

In addition, two chronic illness nurse clinicians will be trained to evaluate, counsel, refill prescriptions and refer to physicians when needed patients with stable chronic illnesses such as hypertension, coronary artery disease, diabetes, chronic lung disease and heart failure.

Both the technicians and nurse clinicians will train for 12 weeks and will always act under the supervision of a physician.

The two programs are to be phased into operation over the next three to six months.

The Portsmouth program began in November 1973. Since then 25 minor illness technicians and 4 chronic illness nurse clinicians have been trained.



# president's comment

MORRISSEY  
AB307  
MORRISSEY

0126

ARTHUR M. CLAYTON R. Ph.  
President.

Either we keep improving on ourselves  
or somebody will improve on us.

JS Swift

A new year of activity is upon us and the 1975 State Legislature has convened. Your Nevada State Pharmaceutical Association has stayed very busy over the past several weeks in preventing closures (by court injunction) until the State Legislature can decide the question.

Another question of concern to us, has been that of technicians. According to the administrator for the American Pharmaceutical Association Professional Liability Program, (with whom I carry liability insurance) our professional liability insurance WILL NOT APPLY in the event of technician error. If you are supervising the technician, then you are "ON YOUR OWN"... The policy covers YOU only for the errors that you personally make. In addition to this area of liability, the following accounts are further evidence of the precarious position of the pharmacist.....

Recently, the legal department of both APhA and AMA, distributed reports of a law-suit in which both a physician and a pharmacist were held liable because a patient was not warned about the side effects of a drug that was prescribed and dispensed. The patient was injured because she improperly used the drug.

The pharmacist, as part of his legal defense -pleaded that "he was not licensed nor trained to advise patients as to side-effects or to be knowledgeable of and inform the patient about package insert information."

The pharmacist's defense was not upheld and he was judged liable, along with the physician, for not properly counseling the patient about the drug to be taken.

Pharmacy World, in the July 1974 issue, relates the case of a pharmacist's liability.... "...a Texas woman who'd been prescribed eye drops containing steroids developed cataracts, and her lawyer named not only the M.D., but the drug manufacturer and the dispensing pharmacist in the resulting suit. The patient had had her Rx refilled 17 times over a year and a half.. Although the manufacturer's package insert didn't mention cataracts specifically, it did warn against using the drops for more than 4 to 6 weeks, and for this reason the manufacturer was dismissed from the suit. However, the prescribing physician - who hadn't warned the woman of the danger - and the dispensing pharmacist - who'd neither included the package insert with the medication nor bothered to check with the M.D. about the extended use - were both advised by their lawyers to make a cash settlement before the case reached the jury.

The doctor paid \$10,000. The pharmacist, though, didn't get off nearly as lightly - he paid \$125,000."

To cover yourself, check your professional liability insurance coverage. Don't assume you're covered. If you work as a consultant to a nursing home or hospital, your policy may not provide protection in these locations, and the institution's policy may not extend to a consultant pharmacist. Also, if you are an employee of a pharmacy, the owner's policy may not cover you.

The door to a whole new world of malpractice has just been opened and every prescription will now be a potential liability.

Max Ginsberg - Southeastern Drug/Southern Pharmaceutical Journal - said "in telling of recent cases in which pharmacists were sued - the shocking and dismaying point is that in all cases the pharmacists had performed their duties in a routine, every-day manner., and in discussing various legal aspects "what used to be done" just isn't good enough any more.

The NEW USP (XIX), in its DISPENSING INFORMATION SECTION contains some practical information for the practicing pharmacist that is very good. This is one of several sources of good, practical information on the subject.

Another question of concern to us, are the other laws which are bound to be introduced in the Legislature, like "concerning a layman on the Board of Pharmacy" which we support (it has worked very well in other states)., "price-posting" on which we will try to reach a solution that will make the subject "livable".... and there are likely to be others..

More about this as the legislative session continues..and we will endeavor to keep you informed.

I would like to take this opportunity to THANK all of the people who have helped me and our State Association, in planning our actions for legislation. I would also like to express my appreciation for their continued efforts in gaining some much-needed respect for the profession among the public and the legislators.

Former NSPhA Presidents BOB BROADBENT and KEITH MacDONALD, our current Legislative Committee Chairman, are both politically knowledgeable and give us great strength in this area. Southern Society President E FLOYD BUTLER is and has worked tirelessly and STEWART (STEW) PAQUETTE, as always, has been my guide and support.

The members and officers of both Societies have co-operated fully whenever requested for assistance.

I am proud to be President of such an organization. My work has been made easier by the combined efforts of ALL of these men and the concerned pharmacists of our State.

We hope and pray for the success of our efforts.

Art Clayton R Ph  
President, N S Ph A

HONOR ROLLHONOR ROLLHONOR ROLLHONOR ROLL

The following listed roll, contains the names of Companies, Hospitals, Retail Pharmacies, Pharmacists, detail men, and others who have shown interest in our Association to have joined and paid dues for the year 1975....We would like to add your name to this growing list....

BRUNSWIG DRUG CO (LV)	CLINIC PHARMACY	DECATUR DRUG	DESERT SPRINGS-
DESERT SPRINGS-	FREMONT DRUG CO	HUNTRIDGE DRUG CO.	PLAZA PHARMACY
HOSPITAL PHARMACY	IMPERIAL DRUG	LYON DRUG CO	MAYFAIR DRUG CO
NEVADA DRUGS INC	PLAZA DRUG	SAHARA RANCHO PHARMACY	
SAN FRANCISCO MEDICAL ARTS PHARMACY		SKAGGS DRUG #26	SKAGGS DRUG #54
SKAGGS DRUG #49	SKAGGS DRUG #38	SKAGGS DRUG #81	STRIP DRUG
SOUTHERN NEVADA MEMORIAL HOSPITAL	SUNRISE HOSPITAL	TEAMSTERS PHARMACY	VALLEY HOSPITAL
VILLAGE EAST DRUGS	WESTGATE DRUG	WHITE CROSS #1	WHITE CROSS #2
WOMEN'S HOSPITAL	YEAGERS MEDICAL ARTS PHARMACY	ECONOMY DRUG	CRYSTAL BAY DRUG STORE
DRUG CENTER	EAST ELY PHARMACY	GOLDEN KEY DRUG STORE	ELKO DRUG CO
FRONTIER PHARMACY	GILBERT DRUG STORE	KITZMEYER-COCHRAN DRUG STORE	HALE'S DRUG #5
HILLYARD'S DRUGS	KEYSTONE DRUG CO	MCKESSON & ROBBINS INC (Sacramento)	MORRIS & LORING DRUG CO
McGILL DRUG CO	SKAGGS #115	SKAGGS DRUG #65	SKAGGS DRUG #6
REX DRUG CO	ST MARY'S HOSPITAL	STEPTOE DRUG INC	SUN VALLEY PHARMACY
SPARKS PROF ARTS PHARMACY	WILSON PHARMACY.....		
VILLAGE DRUG CO INC	A. R. GRILLOT MD	JUDSON HUSE (Ayerst)	JAMES W RICHARDS (SKF)
F. J. (Red) CARLSON	MORRIS E. ALLEN R Ph	ROY E. ANDERSON R Ph	EUGENE C. AUFILL R Ph
JOSEPH ST DENIS (Wyeth)	SAMMY BALLENGER R Ph	LOWELL W. BAXTER R Ph	JAMES J. BELL R Ph
JOSEPH N. AUSTIN R Ph	JACK L. BERRETH R Ph	WILLIAM D. BILLMAN R Ph	JIM N. BINARIS R Ph
GEORGE T. BENNETT R Ph	ARDWIN J. BLOCK R Ph	RODNEY E. BODEN R Ph	FRANK M. BOLLIG R Ph
ERNEST O. BLACK R Ph	ROBERT D. BOYD R Ph	STEVEN BRADFORD Pharm D	LYLE E. BRAND R Ph
FIRTH G. BOWDEN III R Ph	HERBERT F. BRENNAN R Ph	N. E. BROADBENT R Ph	ROBERT N. BROADBENT R Ph
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MILTON J. WASSERMAN R Ph			
ROBERT R. WINDLE R Ph			
Add		effective as of 2/20/75	
LAURENCE MARSHALL (SKF)	J. A. REEVE R Ph	WILLIAM L. LOCKE R Ph	CHARLES H. COLEMAN R Ph

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ERNEST L. MONTOYA — Nominations and Election
GLENN M. ELLSWORTH — Resolutions
ENRICO F. RAFFANTI (Northern Society) and
MURDELL EARL (Southern Society) — Continuing Education
ROBERT F. LAMAN (Southern Society) and
SHERMAN RIGSBY (Northern Society) — Interprofessional and Public Relations

KEITH W. MAC DONALD — Legislative
FLOYD BUTLER JR. and
ERNEST MEDRANO jointly — Membership
DONALD IGLINSKI — Program
JAMES J. BELL — Memoriam

0127

307

March 3, 1975

Assemblyman Robert E. Robinson, Chairman
Assembly Commerce Committee
State Legislative Building
Carson City, Nevada 89701

Dear Chairman Robinson:

I would like to take this opportunity to address the members of the Commerce Committee. Please accept my apologies for not appearing personally due to a death in the family.

The Nevada State Pharmaceutical Association opposes the use of Pharmaceutical Technicians in the filling of prescriptions, especially to the patient who is not in the hospital. We see no significant need for this technical help. Therefore, I would like to pose a few questions:

- 1. Why do the hospitals feel this need for technicians? They buy at a great saving now by paying as little as one-half to one-quarter the acquisition price that the retail outlets pay. This has been recognized in a recent United States Supreme Court Decision. (See APHarmacy Weekly, January 18, 1975). Will this decision cause hospitals to lose many of their discounts which allow them tremendously high profits? This decision was against non-profit hospitals. However, all hospitals are given bid-prices. Are the hospitals worried that this court decision may be broadened to cover all hospitals? Is this why they want cheaper help and the promise of higher profits? If so, then they show no concern for the public which they serve.
2. If the hospitals are allowed technicians, how much will it lower the price of drugs to the patient? The hospitals charge as much as 25¢ per tablet for 1 grain thyroid. Retail pharmacies charge from 99¢ per 100 to \$6.00 per 100 according to a July, 1972, Consumers League of Nevada Prescription Drug Price Survey. The same survey showed Valium 5 mg and Librium 5 mg to sell for as little as \$9.75 per 100 and \$6.69 per 100 respectively. The hospitals charge at least 40¢ EACH for these drugs. Ampicillin 1 Gm for injection was bought for an average price of 50¢ per vial on bid-price in June of 1973, in some privately owned hospitals. At that time the hospital charged \$10.00 per vial to the patient. Again I ask: How much will technicians lower the cost of drugs to the patient?
3. The 1973 legislature passed a bill requiring Continuing Education for pharmacists. It is a good law and one that I support. However, why do pharmacists need continuing education if a technician, with no formal education and no training is allowed to fill prescriptions?



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0128

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- 4. What about the protection of the public? When you, or a member of your family, is sick, whether in the hospital or as an outpatient, do you, as the public, not have the right to expect, AND obtain qualified medical care, including prescription service?
5. Who is to be held liable if an error is made? The technician is not registered, nor trained, and would be under the supervision of a Registered Pharmacist. Therefore, the pharmacist would be liable for the errors made by a co-worker under his supervision, whom he has neither the right to hire nor fire.

Must pharmacists be forced to assume liability for co-workers, under their supervision, whom management hires? Must the public protection in medicine be diluted in order for big business to record higher profits at the expense of the public? Is the public, whom pharmacists try to aid and protect from overdoses, drug interactions, etc., more important, or is the possible higher profits of business more important?

Thank you for this opportunity to express my views and the views of the Nevada State Pharmaceutical Association. Again I offer my apologies for not appearing personally.

Sincerely,
Art Clayton, RPh
President, NSPhA





# NEVADA HOSPITAL ASSOCIATION

1450 EAST SECOND STREET RENO, NEVADA 89502 (702) 322-6905

*Green*  
*Sealy*  
0129

SHARON GREENE

AB 307

~~TESTIMONY BEFORE STATE BOARD OF PHARMACY~~  
~~RENEWALS, 1974~~

AB 307

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE: I AM SHARON GREENE, EXECUTIVE DIRECTOR OF THE NEVADA HOSPITAL ASSOCIATION. ~~SINCE MUCH OF THE DISCUSSION AT TODAY'S HEARING WILL REVOLVE AROUND THE USE OF PHARMACEUTICAL TECHNICIANS WITHIN HOSPITALS,~~ I WOULD LIKE TO GIVE A LITTLE BACKGROUND INTO THE INTRODUCTION AND PASSAGE OF SENATE BILL 248, <sup>from last legislative session,</sup> WHICH IS THE FIRST MENTION OF PHARMACEUTICAL TECHNICIANS IN NEVADA STATUTES, EVEN THOUGH THEY HAD BEEN UTILIZED IN HOSPITALS FOR OVER 20/8 YEARS AT THE TIME THE BILL WAS PASSED.

NEVADA HOSPITAL ASSOCIATION SUPPORTED A BILL THAT SPECIFICALLY RELATED TO THE OPERATION OF A HOSPITAL PHARMACY, BECAUSE IT IS OUR FEELING THE HOSPITAL PRACTICE OF PHARMACY IS SUBSTANTIALLY DIFFERENT FROM THE COMMUNITY PRACTICE OF PHARMACY. MORE SPECIFICALLY, A DRUG INFORMATION CENTER, UNIT DOSES, 24-HOUR RN NURSE OBSERVATION, MONITORING DRUG REGIMENTS, ADMINISTRATION OF DRUGS BY A LICENSED PROFESSIONAL, HYPERALIMENTATION, <sup>4</sup> I.V. ADDITIVE SYSTEMS ARE EXAMPLES OF PHARMACEUTICAL PRACTICES IN A HOSPITAL THAT SET A HOSPITAL PHARMACY APART FROM <sup>a</sup> COMMUNITY PHARMACIES.

THE REASON WE UTILIZE PHARMACEUTICAL TECHNICIANS WITHIN OUR HOSPITALS IS TO FREE HOSPITAL PHARMACISTS OF THE ROUTINE REPETITIVE TASKS AND THEREBY PERMIT THE FOLLOWING:

- 1) TO MORE FULLY UTILIZE THE PHARMACIST'S EDUCATION BACKGROUND IN ANATOMY, PHYSIOLOGY, BIOPHARMACEUTICS, AND PHARMACOLOGY, ETC.;
- 2) <sup>to</sup> ENHANCE THE PHARMACIST'S ROLE AND FUNCTION IN RELATION TO HIS PROFESSIONAL PEERS;

*and to*  
3) ENABLE HOSPITALS TO OPERATE PHARMACEUTICAL SERVICES AT A REDUCED COST . BY UTILIZING PERSONNEL WHO ARE WELL-TRAINED BUT LESS HIGHLY EDUCATED THAN A REGISTERED PHARMACIST, THE HOSPITAL PHARMACY CAN FULFILL ITS FUNCTION MORE ECONOMICALLY. BASED UPON CURRENT SALARY SCALES, A PHARMACY TECHNICIAN CAN PERFORM THE ROUTINE, REPETITIVE PHARMACY TASKS FOR APPROXIMATELY ONE-HALF THE COST OF A REGISTERED PHARMACIST PERFORMING THOSE SAME TASKS.

4) AND MOST IMPORTANT, IMPROVE THE OVERALL QUALITY OF PATIENT CARE. IN ORDER TO MORE FULLY UTILIZE THE UNIQUE BODY OF KNOWLEDGE THAT A PHARMACIST HAS ABOUT DRUGS, HE SHOULD BE PROVIDING DRUG INTELLIGENCE TO OTHER MEMBERS OF THE HEALTH CARE TEAM - AND SPENDING HIS TIME WITH PATIENTS, PHYSICIANS, NURSES AND WITH OTHER PHARMACISTS - CONSULTING, DISCUSSING AND RESEARCHING PATIENT CARE.

*During the last sessions*  
WE ASSURED THE LEGISLATURE THAT THE QUALITY OF PHARMACEUTICAL SERVICES IN A HOSPITAL WOULD NOT DETERIORATE, BECAUSE OF THE FOLLOWING PROTECTIVE MEASURES:

. THROUGH THE STATE BOARD OF PHARMACY AND ITS ROUTINE INVESTIGATION PROCESS THEY WILL CONTINUE TO ENSURE THAT QUALITY SERVICE IS BEING RENDERED;

. THE BILL REQUIRED THAT THE PHARMACIST IN CHARGE OF THE PHARMACY INITIATE PROCEDURES TO PROVIDE FOR ADMINISTRATION AND TECHNICAL GUIDANCE IN ALL MATTERS PERTAINING TO THE ACQUIRING, STOCKING, RECORDKEEPING AND DISPENSING OF DRUGS AND DEVICES.

. THE CHECKS AND BALANCES AUTOMATICALLY BUILT INTO THE HOSPITAL DISPENSING PROCESS PROVIDES FOR ACCURACY AND SAFETY IN THE PERFORMANCE OF THESE TASKS.

. PHARMACY TECHNICIANS HAD BEEN SUCESSFULLY UTILIZED IN THE STATE OF NEVADA



OVER <sup>20</sup>~~18~~ YEARS, AND MANY OTHER STATES HAVE LAWS COVERING THE USE OF PHARMACEUTICAL TECHNICIANS, ALLOWING THEM TO PERFORM THE SAME DUTIES WHICH WE ORIGINAL REQUESTED IN S.B. 248, WITH NO APPARENT PROBLEMS.

AND LASTLY, WE PRESENTED THE <sup>last</sup> LEGISLATURE WITH AN ANALOGY. WE TOLD THEM THE QUALITY OF NURSING CARE DID NOT DECLINE WHEN THE R.N. GAVE UP SUCH TASKS AS CARRYING OUT THE BED PAN, CHANGING THE LINENS, GIVING THE PATIENT A BATH; NOR DID IT DECLINE WHEN THE R.N. GAVE UP TAKING THE PATIENT'S VITAL SIGNS, OR PASSING MEDICATIONS. WHAT DID HAPPEN? THE QUALITY OF PATIENT CARE IMPROVED. WHY? BECAUSE AS THE R.N. WAS FREED OF THE ROUTINE, REPETITIVE TASKS, SHE WAS ABLE TO MORE FULLY UTILIZE THE KNOWLEDGE AN R.N. HAS, AND AS A TEAM LEADER COULD BE MORE EFFECTIVE IN RENDERING PATIENT CARE.

AFTER MUCH TESTIMONY AND A GREAT AMOUNT OF CONSIDERATION BY THE LEGISLATURE, SENATE BILL 248 WAS PASSED. THE INTENT OF THE BILL IS VERY CLEAR. THIS IS OBVIOUS BY THE AMENDMENTS WHICH WERE ADDED TO THE BILL AFTER ITS ORIGINAL INTRODUCTION. THE INTENT OF THE LAW WAS TO LIMIT THE USE OF PHARMACEUTICAL TECHNICIANS TO HOSPITAL PHARMACIES ONLY. AND THIS WAS AGREED UPON WITH REPRESENTATIVES OF YOUR BOARD, AS WELL AS REPRESENTATIVES OF THE STATE PHARMACEUTICAL ASSOCIATION.

ONE OF THE AMENDMENTS TO S.B.248, ELIMINATED THE FUNCTIONS OF A TECHINIQAN FROM THE LAW. REPRESENTATIVES FROM THE BOARD OF PHARMACY, PHARMACEUTICAL ASSOCIATION AND OUR ASSOCIATION, REACHED AN AGREEMENT THAT THE DUTIES OF THE PHARMACEUTICAL TECHNICIANS NEED NOT BE WRITTEN INTO THE LAW, BUT RATHER CAN BE WRITTEN AS REGULATIONS AND DEFINED BY THE STATE BOARD OF PHARMACY FOR THE USE OF TECHNICIANS WITHIN HOSPITALS. IT WAS FURTHER AGREED THAT THE REGULATIONS WOULD BE WRITTEN SO THAT PHARMACEUTICAL TECHNICIANS CAN CONTINUE TO BE UTILIZED IN THE SAME USEFUL MANNER THAT THEY HAVE BEEN FOR THE PAST <sup>20</sup>~~18~~ YEARS.

*[Handwritten signature]*

DURING THE TWO YEARS THAT HAVE FOLLOWED THE PASSAGE OF THAT BILL, AN EXTENSIVE AMOUNT OF TIME HAS BEEN SPENT DRAFTING THAT REGULATION, WHICH TO DATE, IS STILL NOT COMPLETE.

ALSO DURING THAT TWO-YEAR PERIOD OF TIME, A WAVE OF FEAR SWEPT OVER THE RETAIL PHARMACISTS; A FEAR THAT LED THEM TO BELIEVE THEY WOULD BE REPLACED IN THEIR JOBS BY TECHNICIANS, EVEN THOUGH THE PRESENT LAW CLEARLY STATES TECHNICIANS MAY ONLY BE USED IN HOSPITALS, AND MAY ONLY BE USED IN IN-PATIENT SERVICES OF HOSPITALS.

SO TODAY, WE HAVE A BILL INTRODUCED BY THE PHARMACY ASSOCIATION, WHO REPRESENT \_\_\_\_\_ RETAIL PHARMACISTS, THE MAJORITY OF WHOM HAVE NO IDEA WHAT A TECH DOES, HAVE NEVER WORKED WITH A TECH, BUT THEY ARE PUSHING A BILL TO ELIMINATE TECHS, OVER THE OBJECTIONS OF THOSE WHO DO WORK WITH TECHS AND THE GOVERNING BODY WHO, BY LAW, REGULATES TECHS.

HOWEVER, I WAS ASKED TO PRESENT AN AMENDMENT TO A.B. 307 TO YOU TODAY, AND THIS IS IT:



# NEVADA HOSPITAL ASSOCIATION

1450 EAST SECOND STREET RENO, NEVADA 89502 (702) 322-6905

## PROPOSED AMENDMENTS TO A.B. 307 58th Session

### Section 1. Lines 4 and 5

Strike "a hospital pharmacy which provides pharmaceutical services only to in-patients of the hospital."

Replace with "in-patients of hospitals only."

Section 1. will read, "Pharmaceutical technician" means a person who performs clerical and ministerial duties for in-patients of hospitals only."

### Section 4. Line 31 (page 2)

Insert the word "only" between may and be.

### Section 4. Line 32 (page 2)

Strike "any" and replace with "a". Place a comma after pharmacy, strike the remainder of line 32 and all of line 33, and add "in accordance with such regulations as may be adopted and promulgated by the State Board of Pharmacy."

Section 4. will read, "A pharmaceutical technician may only be employed in a hospital pharmacy, in accordance with such regulations as may be adopted and promulgated by the State Board of Pharmacy."

### Section 4. Line 35 #2(a) (page 2)

Strike the present (a) and replace with "The out-patient section of a hospital pharmacy; or"

### Section 4. Lines 43 through 47 #4(a), (b) and (c) (page 2)

Delete

### Section 4. Lines 1 through 5 #6 and #7 (page 3)

Delete

ADDITIONAL  
ATTACHMENTS  
RE: SHARON GREEN  
AB307  
A. B. 307

ASSEMBLY BILL NO. 307—ASSEMBLYMEN VERGIELS, 0134  
DEMERS, JEFFREY, BANNER, GLOVER, MANN, DINI,  
JACOBSEN, GETTO AND HAYES

FEBRUARY 19, 1975

Referred to Committee on Commerce

SUMMARY—Defines "pharmaceutical technician" and establishes  
employment criteria. Fiscal Note: No. (BDR 54-952)

EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is  
material to be omitted.

AN ACT relating to pharmacists and pharmacy; defining a "pharmaceutical technician"; permitting employment under certain conditions; providing for registration; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly,  
do enact as follows:*

- 1 SECTION 1. Chapter 639 of NRS is hereby amended by adding
- 2 thereto a new section which shall read as follows:
- 3 "*Pharmaceutical technician*" means a person who performs clerical
- 4 and ministerial duties for a hospital pharmacy which provides pharma-
- 5 ceutical services only to in-patients of the hospital. *only.*
- 6 SEC. 2. NRS 639.001 is hereby amended to read as follows:
- 7 639.001 1. As used in this chapter, the words and terms defined in
- 8 NRS 639.002 to 639.016, inclusive, [shall] and section 1 of this act,
- 9 have the meanings ascribed to them in [NRS 639.002 to 639.016, inclu-
- 10 sive,] such sections unless a different meaning clearly appears in the
- 11 context.
- 12 2. Unless the context otherwise requires, the singular number [shall
- 13 include] includes the plural number, and the masculine gender [shall
- 14 include] includes the feminine gender.
- 15 SEC. 3. NRS 639.170 is hereby amended to read as follows:
- 16 639.170 1. The board shall charge and collect not more than the
- 17 following fees for the following services:
- 18 For investigation or examination of applicant for certificate
- 19 as registered pharmacist..... \$50
- 20 For investigation or examination of applicant for certificate-
- 21 as registered pharmacist by reciprocity..... 100
- 22 For the investigation or issuance of an original license to
- 23 conduct a retail pharmacy..... 50

1 For annual renewal of a license to conduct a retail pharmacy... \$25  
 2 For issuance of certificate of registration as registered phar-  
 3 macist..... 10  
 4 For annual renewal of certificate of registration as registered  
 5 pharmacist..... 10  
 6 For reinstatement of lapsed certificate of registration (in  
 7 addition to annual renewal fees for period of lapse)..... 20  
 8 For issuance of duplicate certificate of registration..... 10  
 9 For annual registration of a pharmaceutical technician..... 5  
 0 For issuance of manufacturer's or wholesaler's permit..... 25  
 1 For issuance of annual renewal of permit for manufacturer  
 2 or wholesaler..... 25  
 3 For issuance or renewal of permit to vend, sell, offer to sell  
 4 or furnish any hypodermic device..... 5  
 5 For issuance or renewal of permit to supply or operate  
 6 vending machines or devices for distribution of any  
 7 prophylactic..... 25  
 8 For reissuance of license issued to retail pharmacy, when no  
 9 change of ownership is involved, but the license must  
 0 be reissued because of a change in the information  
 1 required thereon..... 5

2. All fees shall be payable in advance and shall not be refunded.  
 3. The board may, by regulation, set the penalty for failure to pay the  
 4 annual renewal fee for any license, permit or certificate within the statu-  
 5 tory period, at an amount not to exceed 100 percent of the renewal fee for  
 6 each year of delinquency in addition to the annual renewal fees for each  
 7 year of delinquency.

8 SEC. 4. NRS 639.2325 is hereby amended to read as follows:

9 639.2325 [Hospital pharmacies may use pharmaceutical technicians  
 0 in accordance with such regulations as may be adopted and promulgated  
 1 by the board.] 1. A pharmaceutical technician may be employed in

2 ~~any hospital pharmacy, which provides pharmaceutical services only to~~  
 3 ~~in patients of the hospital.~~ *in accordance with such regulations as may be adopted and promulgated*

4 2. A pharmaceutical technician shall not be employed in:

5 (a) ~~Any hospital pharmacy which provides pharmaceutical services to~~  
 6 ~~out patients of the hospital; or the out patient section of a hosp. pharmacy;~~ *or*

7 (b) Any pharmacy other than a hospital pharmacy as provided in sub-  
 8 section 1.

9 3. All work done by a pharmaceutical technician shall be under the  
 0 direct and immediate supervision of a registered pharmacist, and the reg-  
 1 istered pharmacist shall be responsible for all work performed by a phar-  
 2 maceutical technician under his supervision.

3 4. In the performance of his duties a pharmaceutical technician shall

- 4 not:  
 5 (a) Remove any drug or medication from the pharmacy shelves;  
 6 (b) Replace any drug or medication on the pharmacy shelves; or  
 7 (c) Otherwise handle the drug, medication or its container.

8 5. A pharmaceutical technician shall register annually with the board  
 9 and pay the fee required by NRS 639.170.

*delete*

6. Any hospital pharmacy employing a pharmaceutical technician shall give written notice to the board within 5 days after the employment or termination of employment of a pharmaceutical technician.  
 7. The board may adopt regulations to accomplish the purposes of this section.

*regulations as may be adopted and promulgated by the State Bd. of Pharmacy.*

*or Hosp. Pharmacy*

*delete*

SENATE BILL NO. 248—SENATOR RAGGIO

FEBRUARY 14, 1973

Referred to Committee on Health, Welfare and State Institutions

SUMMARY—Amends provisions relating to pharmacies, pharmacists and hospitals. Fiscal Note: No. (BDR 54-958)

EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AN ACT relating to the practice of pharmacy; providing for greater regulation of pharmacies operated in conjunction with hospitals; changing the number and composition of the state board of pharmacy; creating the category of a registered pharmaceutical assistant; providing fees; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

- 1 SECTION 1. NRS 639.012 is hereby amended to read as follows:  
2 639.012 "Pharmacy" means [and includes] every store or shop  
3 where drugs, narcotics, poisons, medicines or chemicals are stored or  
4 possessed, or dispensed or sold at retail, or displayed for sale at retail, or  
5 where prescriptions are compounded or dispensed [.] *and includes a*  
6 *place where drugs are stored or dispensed in connection with the opera-*  
7 *tion of a hospital.*
- 8 SEC. 2. NRS 639.020 is hereby amended to read as follows:  
9 639.020 1. The state board of pharmacy consisting of [five] seven  
10 members appointed by the governor is hereby created.
- 11 2. Appointees shall be competent registered pharmacists actively  
12 engaged in the practice of pharmacy in this state and shall have had at  
13 least [10] 7 years' experience as registered pharmacists in this state. Not  
14 more than [two] three members may be appointed from any one county.
- 15 3. *Composition of the board shall be representative of all areas within*  
16 *the practice of pharmacy. The board shall consist of:*
- 17 (a) *Two hospital pharmacists, one from the northern region and one*  
18 *from the southern region;*
- 19 (b) *Two pharmacists employed in retail pharmacies, one from the*  
20 *northern region and one from the southern region; and*
- 21 (c) *Three members engaged in retail pharmacy.*
- 22 4. *For purposes of this section:*
- 23 (a) *The southern region consists of the counties of Clark, Esmeralda,*  
24 *Lincoln, Nye and White Pine; and*

1 (b) *The northern region consists of all other counties within this state.*  
 2 SEC. 3. NRS 639.030 is hereby amended to read as follows:  
 3 639.030 1. The terms of the two members of the board appointed  
 4 by the governor prior to July 1, 1963, whose terms would expire on  
 5 December 19, 1965, and January 5, 1966, shall expire on July 1, 1964.  
 6 The term of the member of the board appointed by the governor prior to  
 7 July 1, 1963, whose term would expire on December 12, 1966, shall  
 8 expire on July 1, 1965. The terms of the two members of the board  
 9 appointed by the governor prior to July 1, 1963, whose terms would  
 10 expire on January 8, 1967, shall expire on July 1, 1966. *Of the two*  
 11 *additional members to be appointed on or after July 1, 1973, the term*  
 12 *of one shall expire on June 30, 1976, and the term of the other shall*  
 13 *expire on June 30, 1977.*

14 2. Upon the expiration of the terms as provided in subsection 1, all  
 15 appointments thereafter shall be made for terms of 4 years by the gov-  
 16 ernor.

17 3. Vacancies occurring shall be filled by appointment for the unex-  
 18 pired term.

19 4. Within 30 days after his appointment, each member of the board  
 20 shall take and subscribe, before the county clerk in the county in which  
 21 he resides, an oath to discharge faithfully and impartially the duties  
 22 prescribed by this chapter. The county clerk shall transmit the oath to  
 23 the secretary of state, who shall file the same.

24 SEC. 4. NRS 639.070 is hereby amended to read as follows:

25 639.070 The board shall have power:

26 1. To make such bylaws and regulations, not inconsistent with the  
 27 laws of this state, as may be necessary for the protection of the public,  
 28 appertaining to the practice of pharmacy and the lawful performance of  
 29 its duties.

30 2. To regulate the practice of pharmacy.

31 3. To regulate the sales of poisons, drugs, chemicals and medicines.

32 4. To regulate the means of storage and security of drugs, poisons,  
 33 medicines, chemicals and devices.

34 5. To examine and register as pharmacists applicants whom it [shall  
 35 deem] *deems* qualified to be such.

36 6. *To examine, as deemed necessary, and register pharmaceutical*  
 37 *assistants whom it finds qualified.*

38 7. To charge and collect necessary and reasonable fees for its serv-  
 39 ices, other than those specifically set forth in this chapter.

40 [7.] 8. To maintain offices in as many localities in the state as it  
 41 finds necessary to carry out the provisions of this chapter.

42 [8.] 9. To deposit its funds in banks or savings and loan associa-  
 43 tions in the State of Nevada.

44 SEC. 5. NRS 639.170 is hereby amended to read as follows:

45 639.170 1. The board shall charge and collect not more than the  
 46 following fees for the following services:

47 For investigation or examination of applicant for certificate	
48 as registered pharmacist.....	\$30
49 For investigation or examination of applicant for certificate	
50 as registered pharmacist by reciprocity.....	100



1	For the investigation or issuance of an original license to	
2	conduct a retail pharmacy.....	\$50
3	For issuance of certificate of registration as registered phar-	
4	maciist.....	10
5	<i>For issuance of certificate of registration as pharmaceutical</i>	
6	<i>assistant.....</i>	<i>10</i>
7	For annual renewal of certificate of registration as regis-	
8	tered pharmacist.....	10
9	For reinstatement of lapsed certificate of registration (in	
10	addition to annual renewal fees for period of lapse).....	20
11	For issuance of duplicate certificate of registration.....	10
12	For issuance of manufacturer's or wholesaler's permit.....	25
13	For issuance of annual renewal of permit for manufacturer	
14	or wholesaler.....	25
15	For issuance or renewal of permit to vend, sell, offer to sell	
16	or furnish any hypodermic device.....	5
17	For issuance or renewal of permit to supply or operate	
18	vending machines or devices for distribution of any	
19	prophylactic.....	25
20	<i>For issuance of an annual permit to operate a pharmacy in</i>	
21	<i>conjunction with a hospital.....</i>	<i>50</i>
22	<i>For issuance of an annual permit to operate a pharmacy in</i>	
23	<i>conjunction with a nursing home.....</i>	<i>25</i>
24	For reissuance of license issued to retail pharmacy, when	
25	no change of ownership is involved, but the license	
26	must be reissued because of a change in the informa-	
27	tion required thereon.....	5
28	2. All fees shall be payable in advance and shall not be refunded.	
29	3. The board may, by regulation, set the penalty for failure to pay	
30	the annual renewal fee for any license, permit or certificate within the	
31	statutory period, at an amount not to exceed 100 percent of the renewal	
32	fee for each year of delinquency in addition to the annual renewal fees	
33	for each year of delinquency.	
34	SEC. 6. Chapter 639 of NRS is hereby amended by adding thereto	
35	the provisions set forth as sections 7 to 9, inclusive, of this act.	
36	SEC. 7. <i>The operation of a pharmacy in conjunction with a hospital</i>	
37	<i>shall meet the following requirements:</i>	
38	1. <i>In hospitals with 50 or more beds, the pharmacy shall be under</i>	
39	<i>the continuous supervision of a pharmacist during the time it is open for</i>	
40	<i>pharmaceutical services.</i>	
41	2. <i>In hospitals with less than 50 beds, the services of a pharmacist</i>	
42	<i>may be on less than a full-time basis, depending upon the needs of the</i>	
43	<i>hospital, and pursuant to the regulations and recommendations of the</i>	
44	<i>state board of pharmacy and the board of hospital trustees charged with</i>	
45	<i>the administration and control of such hospital.</i>	
46	3. <i>In the absence of a pharmacist from the hospital, the supervisory</i>	
47	<i>registered nurse may obtain from the pharmacy necessary doses of such</i>	
48	<i>drugs as are ordered by a medical practitioner and needed by a patient in</i>	

1 *an emergency, according to the regulations adopted by the board of hos-*  
2 *pital trustees for such emergencies. In no case shall drugs scheduled in*  
3 *chapter 453 of NRS be dispensed except by a registered pharmacist.*

4 4. *The pharmacist in charge of the pharmacy shall initiate procedures*  
5 *to provide for administration and technical guidance in all matters per-*  
6 *taining to the acquiring, stocking, recordkeeping and dispensing of drugs*  
7 *and devices.*

8 SEC. 8. *An applicant to become a registered pharmaceutical assistant*  
9 *in this state shall:*

10 1. *Be a resident of this state.*

11 2. *Be of good moral character.*

12 3. *Satisfactorily pass any examination required by the board.*

13 4. *Comply with any rules or regulations adopted by the board.*

14 SEC. 9. 1. *A registered pharmaceutical assistant may perform only*  
15 *the following functions, and only if under the direct supervision of a reg-*  
16 *istered pharmacist:*

17 (a) *Counting, pouring and prepackaging of drugs;*

18 (b) *Typing and affixing of labels; and*

19 (c) *Recordkeeping.*

20 2. *The number of registered pharmaceutical assistants in a pharmacy*  
21 *shall not exceed the number of registered pharmacists.*

(REPRINTED WITH ADOPTED AMENDMENTS)

FIRST REPRINT

S. B. 248

## SENATE BILL NO. 248—SENATOR RAGGIO

FEBRUARY 14, 1973

Referred to Committee on Health, Welfare and State Institutions

SUMMARY—Amends provisions relating to pharmacies, pharmacists and hospitals. Fiscal Note: No. (BDR 54-958)

EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AN ACT relating to pharmacy; providing additional regulation of pharmacies operated in conjunction with hospitals; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

- 1 SECTION 1. NRS 639.020 is hereby amended to read as follows:  
 2 639.020 1. The state board of pharmacy consisting of five members  
 3 appointed by the governor is hereby created.  
 4 2. Appointees shall be competent registered pharmacists actively  
 5 engaged in the practice of pharmacy in this state and shall have had at  
 6 least [10] 5 years' experience as registered pharmacists in this state. Not  
 7 more than [two] *three* members may be appointed from any one county.  
 8 3. *Composition of the board shall be representative of community*  
 9 *practice and hospital practice of pharmacy.*  
 10 SEC. 2. Chapter 639 of NRS is hereby amended by adding thereto  
 11 the provisions set forth as sections 3 and 4 of this act.  
 12 SEC. 3. *The operation of a pharmacy in conjunction with a hospital*  
 13 *shall meet the following requirements:*  
 14 1. *In hospitals with 100 or more beds, the pharmacy shall be under*  
 15 *the continuous supervision of a pharmacist during the time it is open for*  
 16 *pharmaceutical services.*  
 17 2. *In hospitals with less than 100 beds, the services of a pharmacist*  
 18 *may be on less than a full-time basis, depending upon the needs of the*  
 19 *hospital, and pursuant to the regulations and recommendations of the*  
 20 *state board of pharmacy and the board of hospital trustees charged with*  
 21 *the administration and control of such hospital.*  
 22 3. *In the absence of a pharmacist from the hospital, a person desig-*  
 23 *nated by the pharmacist may obtain from the pharmacy necessary doses*  
 24 *of such drugs as are ordered by a medical practitioner and needed by a*  
 25 *patient in an emergency.*

1 4. The pharmacist in charge of the pharmacy shall initiate procedures  
2 to provide for administration and technical guidance in all matters per-  
3 taining to the acquiring, stocking, recordkeeping and dispensing of drugs  
4 and devices.

5 SEC. 4. 1. A pharmaceutical technician may perform the following  
6 functions only if under the direct supervision of a registered pharmacist  
7 in conjunction with hospital inpatient pharmaceutical services:

- 8 (a) Counting, pouring and prepackaging of drugs;
- 9 (b) Typing and affixing of labels; and
- 10 (c) Recordkeeping.

11 2. The number of pharmaceutical technicians in a pharmacy shall not  
12 exceed the number of registered pharmacists.

(REPRINTED WITH ADOPTED AMENDMENTS)

SECOND REPRINT

S. B. 248

SENATE BILL NO. 248—SENATOR RAGGIO

FEBRUARY 14, 1973

Referred to Committee on Health, Welfare and State Institutions

SUMMARY—Amends provisions relating to pharmacies, pharmacists and hospitals. Fiscal Note: No. (BDR 54-958)

EXPLANATION—Matter in *italics* is new; matter in brackets [ ] is material to be omitted.

AN ACT relating to pharmacy; providing additional regulation of pharmacies operated in conjunction with hospitals; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

- 1 SECTION 1. NRS 639.020 is hereby amended to read as follows:
- 2 639.020 1. The state board of pharmacy consisting of five members
- 3 appointed by the governor is hereby created.
- 4 2. Appointees shall be competent registered pharmacists actively
- 5 engaged in the practice of pharmacy in this state and shall have had at
- 6 least [10] 5 years' experience as registered pharmacists in this state. Not
- 7 more than two members may be appointed from any one county.
- 8 3. *Composition of the board shall be representative of community*
- 9 *practice and hospital practice of pharmacy.*
- 10 SEC. 2. Chapter 639 of NRS is hereby amended by adding thereto
- 11 the provisions set forth as sections 3 and 4 of this act.
- 12 SEC. 3. *The operation of a pharmacy in conjunction with a hospital*
- 13 *shall meet the following requirements:*
- 14 1. *In hospitals with 100 or more beds, the pharmacy shall be under*
- 15 *the continuous supervision of a pharmacist during the time it is open for*
- 16 *pharmaceutical services.*
- 17 2. *In hospitals with less than 100 beds, the services of a pharmacist*
- 18 *may be on less than a full-time basis, depending upon the needs of the*
- 19 *hospital, and pursuant to the regulations and recommendations of the*
- 20 *state board of pharmacy and the board of hospital trustees charged with*
- 21 *the administration and control of such hospital.*
- 22 3. *In the absence of a pharmacist from the hospital, a person desig-*
- 23 *nated by the pharmacist may obtain from the pharmacy the necessary*
- 24 *dose of such drugs as are ordered by a medical practitioner and needed by*
- 25 *a patient in an emergency.*

1 4. *The pharmacist in charge of the pharmacy shall initiate procedures*  
2 *to provide for administration and technical guidance in all matters per-*  
3 *taining to the acquiring, stocking, recordkeeping and dispensing of drugs*  
4 *and devices.*

5 SEC. 4. *Hospital pharmacies may use pharmaceutical technicians in*  
6 *accordance with such regulations as may be adopted and promulgated by*  
7 *the board.*

0144

Senate Bill No. 248—Senator Raggio

## CHAPTER 524

AN ACT relating to pharmacy; providing additional regulation of pharmacies operated in conjunction with hospitals; and providing other matters properly relating thereto.

*The People of the State of Nevada, represented in Senate and Assembly, do enact as follows:*

SECTION 1. NRS 639.020 is hereby amended to read as follows:

639.020 1. The state board of pharmacy consisting of five members appointed by the governor is hereby created.

2. Appointees shall be competent registered pharmacists actively engaged in the practice of pharmacy in this state and shall have had at least [10] 5 years' experience as registered pharmacists in this state. Not more than two members may be appointed from any one county.

3. *Composition of the board shall be representative of community practice and hospital practice of pharmacy.*

SEC. 2. Chapter 639 of NRS is hereby amended by adding thereto the provisions set forth as sections 3 and 4 of this act.

SEC. 3. *The operation of a pharmacy in conjunction with a hospital shall meet the following requirements:*

1. *In hospitals with 100 or more beds, the pharmacy shall be under the continuous supervision of a pharmacist during the time it is open for pharmaceutical services.*

2. *In hospitals with less than 100 beds, the services of a pharmacist may be on less than a full-time basis, depending upon the needs of the hospital, and pursuant to the regulations and recommendations of the state board of pharmacy and the board of hospital trustees charged with the administration and control of such hospital.*

3. *In the absence of a pharmacist from the hospital, a person designated by the pharmacist may obtain from the pharmacy the necessary dose of such drugs as are ordered by a medical practitioner and needed by a patient in an emergency.*

4. *The pharmacist in charge of the pharmacy shall initiate procedures to provide for administration and technical guidance in all matters pertaining to the acquiring, stocking, recordkeeping and dispensing of drugs and devices.*

SEC. 4. *Hospital pharmacies may use pharmaceutical technicians in accordance with such regulations as may be adopted and promulgated by the board.*

# Pharmaceutical Boards

## REGULATIONS

accredited shall submit to the committee the following:

- (a) All printed or recorded material intended to be distributed to participants.
- (b) Biographical information on the persons responsible for the course content.
- (c) Outlines of specifications, including the over-all objectives of the presentation, when a major portion of the course work or program consists of oral presentations.
- (d) A copy of the provider's evaluation statement.
- (e) An estimate of the number of continuing education units to be derived from the course or program.

5. The materials so submitted shall be transmitted to members of a review panel where appropriate, evaluated by the review panel or by the committee itself, and returned to the board, together with the recommendation of the committee, in adequate time to allow the board to notify the provider within 60 days from original receipt whether or not the materials have been accredited, and if so, the number of continuing education units to be awarded.

### Regulation No. 15.60

The designations "accredited" and "acceptable nonaccredited" are not to be deemed representative of the value of the programs, materials or courses so designated, and are not to be deemed an endorsement by the board of any particular continuing education program, course or materials. The designations "accredited" and "acceptable nonaccredited" are not to be deemed designations of relative value, *intra se*.

### Regulation No. 15.65

Certificates of completion awarded to participating pharmacists shall be retained for a period of 4 years following completion of a course or program, and shall be produced upon request by the board.

### Regulation No. 15.70

Work-related experience acquired in fields other than the practice of pharmacy shall not be acceptable as credit toward continuing education requirements established by NRS 639.217 to 639.2178 inclusive, and Regulations No. 15.00 to 15.75, inclusive.

### Regulation No. 15.75

A current list of all accredited courses and programs shall be available from the board upon request.

## REGULATION NO. 17.00 PHARMACEUTICAL TECHNICIANS

Hospital pharmacies which fill prescriptions or chart orders for inpatient care only may employ pharmaceutical technicians to perform clerical and ministerial duties within such hospital pharmacies. Pharmaceutical technicians shall at all times be under the direct and immediate supervision of a registered pharmacist. The supervising pharmacist shall at all times be and remain fully responsible for all work performed by any pharmaceutical technician under his or her supervision. At no time shall the combined number of pharmaceutical technicians and intern pharmacists exceed the number of registered pharmacists on duty. Clerical or ministerial duties within the meaning of this regulation mean those duties which do not involve or require the exercise of discretion or professional judgment.



Bennett

RE AB 307

Nevada State Bd of Pharmacy

MR BENNETT  
PROPOSED  
AMENDMENTS TO  
REGULATION 17.02

Regulation No. 17.00

Pharmaceutical Technicians

1. Hospital pharmacies may employ pharmaceutical technicians to perform clerical and ministerial duties in connection with the filling of prescriptions or chart orders for inpatient care only. Pharmaceutical technicians shall at all times be under the direct and immediate supervision of a registered pharmacist. The supervising pharmacist shall at all times be and remain fully responsible for all work performed by any pharmaceutical technician under his or her supervision. At no time shall the combined number of pharmaceutical technicians and intern pharmacists exceed the number of registered pharmacists on duty. Clerical or ministerial duties within the meaning of this regulation mean those duties which do not involve or require the exercise of discretion or professional judgment.

2. No pharmaceutical technician shall perform any duties in connection with the filling of any retail or outpatient prescriptions whatsoever.

3. If a hospital which employs pharmaceutical technicians also fills retail or outpatient prescriptions, it shall cause the retail or outpatient prescription department to be physically separated from the inpatient pharmacy by a barrier sufficient to exclude pharmaceutical technicians from the outpatient or retail pharmacy department. Such hospitals shall have a period of 18 months from the effective date of this regulation within which to comply with the requirements of this section.

4. No hospital shall permit or authorize pharmaceutical technicians to enter the outpatient or retail prescription department.

5. No hospital may operate a retail or outpatient prescription business or department except pursuant to a permit issued by the Nevada State Board of Pharmacy. Such hospital shall have a period of 30 days from the effective date of this regulation within which to comply with the requirements of this section.

6. Violation of any provision of this regulation shall constitute grounds for the suspension or revocation of an outpatient or retail pharmacy permit.

I am here in support of AB 309, and I would like to state why.

Over the years, drugstores have associated themselves with pharmacy and in particular, prescriptions, in order to add dignity to the family one-stop-shopping concept. The prescription business is inseparable from the complex over-the-counter patent medicine and the health and beauty needs. Because the prescription business now requires education and expertise to be capably administered, the drugstore owner now wants to have the best of two worlds by luring the unsuspecting public into their establishment under the premise that their health care needs will be administered to by a professional, only to tell them that their professionals are only on duty for a limited portion of the regular business hours. Pharmacists have traditionally been a source of expert information with regard to health problems, especially when the doctor is unavailable, and this most important service would be removed, leaving the public again on the short end of health care services.

The fact that Nevada is a 24 hour state only compounds this deception. The unique gambling industry with it's 24 hour operation, requires service not only to the tourist, but the people who have to work around the clock. The needs of these people can not be fulfilled with and 8 to 9 hour a day service for their health and prescription needs. *I work evenings and weekends and frequently fill emergency-type R's. Eg.*

If closure is allowed, it will be as difficult to have your prescription filled, as it is to see your doctor. Pharmacy has offered a service at the public's convenience. Now the drugstore owner's want this service curtailed, to the public's inconvenience. And in all *probability* at no monetary savings to the public.

I feel that owner's should be compelled to administer the service that they have educated the public to expect and that they have so zealously expounded. Closure is a deception and an inconvenience that should not be allowed to be perpetrated on the unsuspecting public. Thank you.

Closure A.D. 1974 "Mr. Chairman"

My name is Floyd Butler, Pres. of the So. Nev. Pharmaceutical Society. **BUTLER**  
My appearance before this Committee is the most important one that I shall make in  
the Legislature. It is my privilege to be here as the representative of the largest  
single group of Pharmacists in the entire State, and as a proponent for A.B. 309  
"Closure" in reality takes another "Man" off the street who is professionally trained  
to provide the ingredients necessary to provide "Health and Welfare, the Pharmacist.  
It removes another License necessary for this Professional to serve the Public. How  
long has it been since Doctors made house calls?? It has been long enough ago that to  
expect a service of this type today would be old-fashioned. The Doctors removed them-  
selves from the streets--no more "House Calls"--if you want to see a Doctor today, you  
well know the routine--you go to his office for a long, long wait. According to a survey  
taken by Ciba-Geigy Labs, presented during a Continuing Ed. program for Pharmacists, you  
will wait on an average in the reception-room about 2½ hours. After you are placed in  
the inner-office another wait of 6 to 15 minutes can be expected. The average time  
spent with the patient by the Doctor is a Whopping 16 seconds. Quite a shocking fact  
this is, but very true.

Today if you become ill, you do it according to the Doctors hours. You know what they  
are--(9 to 1), (10 to 2), (10 to 6), (9 to 12) and available about 4½ days per week.  
Positively you don't become ill on Week-ends, the most serious time of all. Keeping these  
schedules of times in which to become ill, the Public or the Consumers are now expected  
to obtain their Prescriptions, or refills, insulin, needles, cold-preparations, etc.  
on a reduced time program there-by also reducing the availability and the advice of a  
Pharmacist to as few hours as Corporate Brains can force upon us, in order to fulfill  
the dreams of their Stock-Holders. The Pharmacists of the State of Nevada as professionals  
are not removing themselves from the "Streets" as did the Doctors, nor do they intend to--  
they desire to be available for advice or to function in their capacity as Pharmacists  
in any Plant, <sup>OR</sup> Mercantile Structure which incorporates a Pharmacy and to serve the Con-  
sumer the entire length of time that particular enterprise is open for business.  
To deny this to the Public is an encroachment upon his right to enter a large Chain-  
establishment and use any Dept. it offers for business purposes at the same time. Yet  
these large establishments want the "Ideal Image" for their Pharmacy Depts., but they  
want to short-change their hours.

The idea is absurd, and the idea is almost ridiculous in this State of ours, which is  
unique among all the rest. Nevada, a 24 Hour State--must comply with the needs of the  
3 shifts of working people whose days have been turned into nights, and <sup>by those</sup> nights turned  
into days. We must comply with the needs of our tourists along these same lines.

Out of State Drug Corporations, who filter into Nevada, to do business have been selling  
their wares for years only to send the money Out of Nevada the very next day. True, for  
many years they complied with the laws of the State to establish an acceptable profile,  
but within the last few years they have felt themselves strong enough to circumvent our  
Laws by interpretation, and possible intimidation of our Pharmacy Board which has been  
appointed by the Governor. They have jumped on an old Law in our books (N.R.S. 639-280)  
with a forced interpretation other than for which it has stood for over 70 Years.

Closure 11.00 201  
These Corporations, as you know, represent the financed Minorities outside our State Line. They do not, and cannot represent the "Health and Welfare" of the People of Nevada by reducing Health Care facilities inside our State, which is dictated by their economic structure, and their eagerness of pick up another inflated Dollar creating unemployment in a State which has as of this moment more than it can ill afford. If they can't "Hack it" under Nevada Law, let them get out of the Pharmacy Business, and make room for a Nevada Citizen in Pharmacy take his place.

We do not aim or direct our proposals for A.B. 309 at the rural areas or the smaller, now diminishing Independent Pharmacies in the far out locations where in a sole proprietor must exist. We feel that an exception to A.B. 309 should be considered only in the case of a sole proprietor on the basis of hardship, or economic necessity and determined by regulation by the Pharmacy Board in keeping with the best interests of "Health and Welfare" of that particular rural community.

The Special Interest groups, who are against A.B. 309, and who are trying to install "Drug Store Bank Hours" in our State are ignoring, "What happens to a diabetic or an epileptic who suddenly finds himself out of medication who needs a refill and the RX Dept. where he had it filled is closed. What happens to him?? There are many, many examples possible to mention. These same Special Interest Groups, or any Legislator who is against A.B. 309, or who wish to help line the pockets of a select few, must not only lack pride in this State of ours, but are lacking in the fundamentals for the "Health and Welfare" of our Nevada Citizens and families.

So. Nevada Pharmaceutical ~~Nevada~~ Society goes on record, combined with the Northern Nevada Pharmaceutical Society as a United Front in the best interests of the People of Nevada to strongly, and vigorously support A.B. 309. Thank you.

OFFICERS

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FLOYD E. BUTLER JR., R.Ph., *President*, c/o Sahara Rancho Pharmacy, 2300 Rancho Road, Las Vegas, Nevada 89102  
LESLIE J. DUNKLEY, R.Ph., *Vice President*, 3164 Marsford Place, Las Vegas, Nevada 89102  
RON ORTON, R.Ph., *Secretary*, 4411 Spencer, Apt. 31, Las Vegas, Nevada 89109  
MARTIN SURANOWITZ, *Treasurer*, 6236 Burgundy Way, Las Vegas, Nevada 89107

**COMMITTEE CHAIRMEN**

ERNEST L. MONTOYA — Nominations and Election  
GLENN M. ELLSWORTH — Resolutions  
ENRICO F. RAFFANTI (Northern Society) and  
MURDELL EARL (Southern Society) — Continuing Education  
ROBERT F. LAMAN (Southern Society) and  
SHERMAN RIGSBY (Northern Society) — Interprofessional and Public Relations  
KEITH W. MAC DONALD — Legislative  
FLOYD BUTLER JR. and  
ERNEST MEDRANO jointly — Membership  
DONALD IGLINSKI — Program  
JAMES J. BELL — Memoriam

0151

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OTHER  
COMMITTEES

AT  
LARGE

March 3, 1975

Assemblyman Robert E. Robinson, Chairman  
Assembly Commerce Committee  
State Legislative Building  
Carson City, Nevada 89701

Dear Chairman Robinson:

On January 7, 1975, the Nevada State Pharmaceutical Association, in conjunction with the Southern Nevada Pharmaceutical Society, filed suit against the Nevada State Board of Pharmacy. This was done in order to gain an injunction against the State Board of Pharmacy, prohibiting them from hearing arguments for, or granting, pharmacy closures in the state until laws could be introduced in the 1975 Legislature, governing such closures.

"...there exists great necessity for the enactment of stringent, yet just laws in the interest of the public, and to confine the manufacturing, compounding, dispensing, and handling of drugs and medicines to those who are thoroughly competent..." This statement, from the Preamble to the Constitution of the Nevada State Pharmaceutical Association confirms our responsibility to, and concern for, the patient and consumer. We cannot, in good conscience, allow quality pharmaceutical care of the citizens of this state, to be sacrificed in order for business to schedule its personnel in such a manner as to insure profits, while reducing public protection.

We have taken this action in order to protect the consumer. When the patient goes to the doctor's office, he expects to see a physician. When he goes to a lawyer's office, he expects to see an attorney. When he goes to a pharmacy, he is ENTITLED to see a pharmacist. When a store advertises as a pharmacy, or in any way, leads one to believe that a qualified, registered pharmacist is present to fill prescriptions and to answer questions and give advice pertaining to the use, misuse, storage, side-effects, interactions of medicines, and other pertinent information concerning his medication, then the patient is entitled to a guarantee that he can talk with a pharmacist.

Many of the stores in this state would like to increase their profits without providing service to their pharmacy patrons. These stores would like to use the state law permitting prescription-price-advertising to increase their business. These large chains would take the profits out of the state of Nevada, without providing legitimate pharmacy services to our citizens. But in order

OFFICERS

OTHER

COMMITTEES

AT

LARGE

N S Ph A ELECTED OFFICERS

President — ARTHUR M. CLAYTON, R.Ph., 6341 Hobart Avenue, Las Vegas, Nevada 89107 (702) 878-3586
Vice President — ROLAND G. HEBERT, R.Ph., Star Route #1, Sutcliffe c/o Crosby's #5, Reno, Nevada 89501
Second Vice President — BOBBY B. RICE, R.Ph., 1405 East Vegas Valley Drive #285, Las Vegas, Nevada 89109
Treasurer — JOSEPH E. ST. DENIS, 3407 Villa Hermosa Drive, Las Vegas, Nevada 89121
Assistant Secretary — F. J. (RED) CARLSON, 2085 Carter Drive, Reno, Nevada 89502 (702) 322-1452
Executive Secretary — STEWART E. PAQUETTE, R.Ph., 1113 South 15th Street, Las Vegas, Nevada 89104 (702) 384-7943

BOARD OF DIRECTORS

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JAMES J. BELL, R.Ph., 670 Rosewood Drive, Reno, Nevada 89502

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FRANK D. HARRIS, R.Ph., Vice President, 3531 East Hidden Valley Drive, Reno, Nevada 89502
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ERNEST O. (OWEN) BLACK, R.Ph., Treasurer, 5456 Sun Valley Drive, Sun Valley, Nevada 89431

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This action is the first of many that we are planning, in order to protect the consumer, and our profession from those who are only interested in the profits that can be made through the illness of their patrons. These individuals are only interested in profits. They are not interested in providing service or benefits to their patrons. They would like to provide service during office hours, when their stores are busy, but they do not want to accept the losses that occur during slow periods of the day. If people only got sick during office hours, then the pharmacists would support this move. After all, pharmacists also like to have 9 to 5 jobs. But, since people, especially children, get sick after 6 P.M., too, then we believe that a service profession, such as ours, should be available to the public at all hours that the store is open. For that reason we filed the suit and asked for legislation to control this prostitution of our profession. It was done in order to prohibit this lack of service to the public.

We want to assure the public of maximum protection in providing the medication which his physician prescribes, and not lessen his protection simply in order to lower the price of medication a few cents in order to undercut and eliminate competition for prescription business. We cannot accept sacrificing the protection of the public in order to insure higher profits of big business.

Thank you for allowing me to express my views and the views of the Nevada State Pharmaceutical Association. I apologize for not appearing personally to discuss this issue, but due to a death in the family, it was not possible at this time.

Sincerely,

[Handwritten signature of Art Clayton]

Art Clayton, RPh
President, NSPhA



## Court bans price bias in drug sales to hospitals dispensing to out-patients

A United States Appeals Court panel has ruled that non-profit hospitals may not purchase drugs for resale at prices which discriminate against local community pharmacists.

The decision could have profound impact on industry drug-pricing practices, with the possible long-term effect of reducing the cost of drugs for both pharmacists and the public.

Handed down December 26, the decision came as the result of a suit filed against several major pharmaceutical firms by the Portland Retail Druggists Association.

The APhA-NARD Committee on Pharmacy Economic Security (COPEs) hailed the decision as "the first judicial validation of the APhA and NARD position that manufacturers have been violating the Robinson-Patman Act in sales to hospitals engaged in out-patient dispensing."

PRDA charged that the firms were selling prescription drug products to 14 Portland-area non-profit hospitals at lower prices than they sold the

same products to Portland pharmacies—even though the hospitals often resold the products to "patients, staff and strangers."

When PRDA filed its suit in U.S. District Court in 1971, it charged such selling practices violated the anti-trust provisions of the 1970 Robinson-Patman Act and that the hospitals did not qualify for the exemptions provided for in the law.

The hospitals conceded they used a portion of the drug products purchased at lower prices to (a) provide departing in-patients with take-home prescriptions; (b) provide former in-patients with prescription renewals; (c) sell drugs to out-patients for home treatment; (d) sell drug products to staff members and students for their own use; (e) sell drugs to physicians for private use or for use in their practices; and (f) to sell drugs to walk-in customers who were not hospital in-patients.

The hospitals argued that these practices were proper hospital functions.

A Federal District Court decision last year in Portland upheld the legality of both the selling practices and the anti-trust exemptions.

However, the Ninth Circuit Court of Appeals decision in late December found that the selling practices admitted to by the hospitals may be a community service, but that they violate the law nonetheless.

The Appellate decision turned on whether the sale of drug products was actually for the hospital's "own use," the language of the law that establishes possible exemptions.

The resale of hospital drug products, the court ruled, are not for the hospital's "own use." He said such use "must be limited to use made by the hospital in dispensing drugs for hospital or clinic treatment of in-patients or emergency patients.

"The hospitals here are (quite properly) accommodating patients, staff and strangers with means whereby they can conveniently purchase drugs for their use," the decision continued. "The question is not whether the hospitals can continue to provide this useful community service. The question is whether in providing it they may acquire the drugs for such resale at an acquisition price that discriminates against local retail druggists. We hold that they may not."

## Federal Section seeks literary award nominees

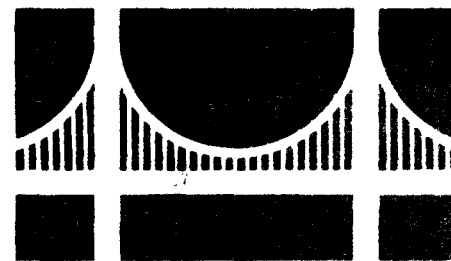
APhA members in the federal services who have contributed published papers to pharmacy literature during 1974 are eligible for the 1975 APhA Section of Federal Pharmacy Literary Award.

The award is sponsored by the Association and consists of an inscribed plaque that will be presented during the 1975 APhA Annual Meeting in

San Francisco, April 19-24.

Paper topics suitable for consideration for the award include pharmaceutical practice, pharmaceutical research, and pharmacy law.

If you are an Association member and interested in the award, send five copies of your published manuscript to Dr. Pierre S. Del Prato, Director of Clinical Practices, American Pharmaceutical Association, 2215 Constitution Ave., N.W., Washington, D.C. 20037.



 San Francisco

## Kalman named APhA education director

Pharmacist Samuel H. Kalman has been appointed APhA Director of Education in the Division of Professional Affairs.

Presently Kalman is director for the APhA Pharmacy Training for Nursing Homes Project (funded through HEW), due for completion this Spring.

Kalman holds a Master of Science degree in applied educational psy-

chology from Virginia Commonwealth University. He will serve as an educational resource for Associations members and APhA staff, and will provide liaison with national and state pharmaceutical associations in educational affairs.



BRANCH	B/A	PRODUCER NUMBER
01	B	M-0279-3 * 250

DATE OF ISSUE	RENEWAL OR REPLACEMENT NO.
8/5/74	New

**SALARIED PHARMACIST PROFESSIONAL LIABILITY INSURANCE POLICY**

0154

Item	DECLARATIONS	POLICY NUMBER	284-701001-10776
1.	<p><i>Named Insured</i></p> <p>• Arthur McInnis Clayton</p> <p>• 6341 Hobart Avenue</p> <p>• Las Vegas, Nevada 89107</p> <p>ADDRESS: (Number &amp; Street, Town, County &amp; State)</p>		
2.	<p>Policy Period: 12 01 A. M. STANDARD TIME AT THE ADDRESS OF THE NAMED INSURED AS STATED HEREIN. From: 8/5/74 To: 8/5/75</p> <p>REPRESENTATIVE: Agent or Broker • A. M. MANLIN</p> <p>Office Address • 1010 COLLINGWOOD AVENUE</p> <p>Town and State • ST. LOUIS, MISSOURI 63132</p>		

**CHICAGO INSURANCE COMPANY**

175 WEST JACKSON BOULEVARD - CHICAGO, ILLINOIS 60604

3. SCHEDULE			
	COVERAGES	LIMITS OF LIABILITY	PREMIUM
	Individual Coverage	\$ 200,000.00 each claim \$ 600,000.00 aggregate	\$ 15.00
	<p>A) The insured is engaged in practice as a Salaried Pharmacist and is duly registered and licensed to practice his profession under the laws of all jurisdictions in which he practices.</p> <p>B) The insured: (1) is not connected with any partnership; (2) is not an owner or operator of a hospital, sanitarium or clinic with bed and board facilities; (3) does not perform major surgery; (4) does not use x-ray apparatus for therapeutic treatment; (5) has no other professional speciality; (6) has not ever had claim made, or suit brought, against him on account of any alleged malpractice, error or mistake</p> <p>Exceptions if any to (B)</p>		

Countersigned at St. Louis, Mo. 8/5/74  
(Date)

*A. M. Manlin*  
(Authorized Representative)

(This Policy void unless countersigned by a Duly Authorized Representative of the Company)

284 (Rev. 9/71) Printed 10/72

**CHICAGO INSURANCE COMPANY**

(A stock insurance company, herein called the company)

In consideration of the payment of the premium, in reliance upon the statements in the declarations made a part hereof and subject to all of the terms of this policy, agrees with the named insured as follows:

I. The company will pay on behalf of the insured all sums which the insured shall become legally obligated to pay as damages because of injury arising out of the rendering of or failure to render, during the policy period, professional services by the individual insured personally performed in the practice of the individual insured's profession described in the schedule in the course of his employment by another including service by the individual insured as a member of a formal accreditation or similar professional board or committee of a hospital or professional society, and the company shall have the right and duty to defend any suit against the insured seeking such damages even if any of the allegations of the suit are groundless, false or fraudulent and may make such investigation and, with the

written consent of the insured, such settlement of any claim or suit as it deems expedient, but the company shall not be obligated to pay any claim or judgment or defend any suit after the applicable limit of the company's liability has been exhausted by the payment of judgments or settlements.

**EXCLUSION**

This insurance does not apply to liability of the insured as the employer of others or as the proprietor, superintendent or executive officer of any hospital, sanitarium, clinic with bed and board facilities, or business enterprise.

*Supplementary Payments*

II. The company will pay, in addition to the applicable limit of liability:

\$25 per day because of his attendance at hearings or trials at such request.

(a) all expenses incurred by the company, all costs taxed against the insured in any suit defended by the company and all interest on the entire amount of any judgment therein which accrues after entry of the judgment and before the amount is paid or tendered or deposited in court that part of the judgment which exceeds the limit of the company's liability thereon;

premiums on appeal bonds required in any such suit, premiums on bonds to release attachments in any such suit for an amount not in excess of the applicable limit of liability of this policy, and the cost of bail bonds required of the insured because of accident or traffic law violation arising out of the use of any vehicle to which this policy applies, not to exceed \$250 per bail bond, but the company shall have no obligation to apply for or furnish any such bonds;

(c) reasonable expenses incurred by the insured at the company's request, including actual loss of wages or salary (but not loss of other income) not to exceed

**III. LIMITS OF LIABILITY**

Coverage M—Individual Professional Liability—The limit of liability stated in the schedule as applicable to "each claim" is the limit of the company's liability for all damages because of each claim or suit covered hereby. The limit of liability stated in the schedule as "aggregate" is, subject to the above provision respecting "each claim", the total limit of the company's liability under this coverage for all damages. Such limits of liability shall apply separately to each insured.

The limit of liability stated in the schedule as applicable to "each claim" is the limit of the company's liability for all damages because of each claim or suit covered hereby. The limit of liability stated in the schedule as "aggregate" is, subject to the above provision respecting "each claim", the total limit of the company's liability under this coverage for all damages.

A. M. MANLIN  
ADMINISTRATOR FOR

0155

AMERICAN PHARMACEUTICAL ASSOCIATION

PROFESSIONAL LIABILITY PROGRAM

1010 COLLINGWOOD AVE.  
ST. LOUIS, MO. 63132  
(314) 997-7800

October 30, 1974

Mr/ Arthur McInnis Clayton  
6341 Hobart Avenue  
Las Vegas, Nevada 89107

Re: Professional Liability Policy #10776 Chicago Insurance Co.

Dear Mr. Clayton:

Pursuant to our telephone conversation of today, please be advised, the above captioned Professional Liability Policy covers individual interest in pharmacy to you only and does not apply to any other individual.

The policy is designed to cover your interest at any place throughout the entire United States where you are duly authorized to practice your profession in pharmacy.

Trusting the above information is what you desire but if there should be further questions, please feel free to write to us.

Yours very truly,



Irma Cottrell  
Secretary to  
A. M. Manlin  
IC

GUEST REGISTER

COMMERCE COMMITTEE

0156

DATE: 3-5-75

PLEASE  
CHECK IF YOU  
WISH TO SPEAK

NAME

REPRESENTING

NAME	REPRESENTING	PLEASE CHECK IF YOU WISH TO SPEAK
x(6) - Keith W. McDonald	Nevada State Pharmaceutical Assoc.	X
(14) Enrico F. Pappas	Hospital Pharmacy Nevada State Pharm. Assoc.	Yes
Frank D. Harris	USV Pharmaceuticals	
Ernest O. Black	Sun Valley Pharmacy	no
J. D. Plankton	United Pharm	No
Geo. F. Yotter	Baker's Food Supply #82	no
(13) Gus Kausten	Hansen Mechanical	yes.
Tom Chamberlain	Employment Security Dept H. of Health Center and	No
Clara Barnett	Nevada Hospital Assoc	No
Kenneth J. Davis	Hospital Staff Pharmacist Washoe Medical Center Reno	Yes
Morton Stone	Sunrise Hospital Las Vegas	Yes
Robert Long	Emp Sec. Dept.	Perhaps
x James Oliver	"	"
(14)x Larry Buchanan	"	yes
J. A. Edmundson	NEV Health Div NEVADA HOSP ASSOC	NO
(15) R. K. Myles M.D.	WASHOE MEN CENTER	Yes

THOMAS A. PIERMEYER

Barbara Hart

NEVADA MENTAL  
HEALTH INSTITUTE  
NEV. Hospital ASSN.

YES. (307)

- ①
- ②
- ④

Assemblyman  
 Bill Adams, Asst. City Mgr - City of LAS  
 MICHAEL L. MELNER  
 DTR: DPT of Commerce  
 GUEST REGISTER  
 COMMERCE COMMITTEE

0157

the next page is  
173

John Kimball  
Advisory Commission  
For The AGED

DATE: 3-5-75

Joe Midmore  
NAME

Natl. Assoc. of Chain  
Drug Stores  
REPRESENTING

✓ PLEASE  
CHECK IF YOU  
WISH TO SPEAK

⑫	Bobby B. RICE	VICE President Nevada State Pharmaceutical Association	YES (AB 307)
⑩	Floyd Butler	So. Nevada Pharmaceutical Society - PRES	Yes
⑬	Dick Thomas	Teamsters Union	Yes - (309)
	Irene G. White	Registered Pharmacist	?
⑪	Mary M. Morrison	Registered Pharmacist	Yes AB 307 AK 309
⑰	Luca Pignato	RETAIL CLERKS UNION #1434	YES AB 309
	Ray Foster	Registered Pharmacist	No?
⑱	Edmund Ford	Registered Pharmacist	Yes, 309
	GORDON W. DEPAOLI	RALEY'S OF NEVADA	NO
	J.L. Reveley	Exec Director, St Mary's	No
	W.F. Jurell	Carson-Tahoe Hospital	NO
	Robert A. Jones	Atty Gen'l Office	No
	Frank L. Latus	Nevada State Board of Pharmacy	NO
	Deo R. (Bob) Tucker	Nevada State Board of Pharmacy	No
	Eugene Heberler	Registered Pharmacist	Yes - 309
⑮	George T. Bennett	State Bd of Pharmacy	Yes AB 257 AB 307 AB 307
⑬	Sharon Greene VINCE ANSELMO	Rev. Hosp. Assn. Dept. of Commerce	Yes AB 307 NO