

The South Carolina Board of Pharmacy held its regularly scheduled Board meeting on March 14, 2018. One item on the agenda was the request to clarify if a facility permitted as a Wholesale Distributor could drop ship patient-specific medical devices. Based on the below statutes, the Board made the determination that a facility permitted and/or classified as a wholesale/distributor cannot dispense patient specific medication.

(54) "Wholesale distributor" means a person engaged in wholesale distribution of prescription drugs or devices including, but not limited to, manufacturers; repackagers; own-label distributors; private-label distributors; jobbers; brokers; warehouses including manufacturers' and distributors' warehouses, chain drug warehouses, and wholesale drug warehouses; independent wholesale drug traders; and retail pharmacies that conduct wholesale distributions. **"Wholesale distributor" does not include:**

(a) intracompany sales, being defined as a transaction or transfer between a division, subsidiary, parent, or affiliated or related company under the common ownership and control of a corporate entity;

(b) the purchase or other acquisition by a hospital or other health care entity that is a member of a group-purchasing organization of a drug for its own use from the group-purchasing organization or from other hospitals or health care entities that are members of such organizations;

(c) the sale, purchase, or trade of a drug or an offer to sell, purchase, or trade a drug by a charitable organization described in section 501(c)(3) of the Internal Revenue Code of 1986 to a nonprofit affiliate of the organization to the extent otherwise permitted by law;

(d) the sale, purchase, or trade of a drug or an offer to sell, purchase, or trade a drug among hospitals or other health care entities that are under common control. For purposes of this section, "common control" means the power to direct or cause the direction of the management and policies of a person or an organization, whether by ownership of stock, voting rights, by contract, or otherwise;

(e) the sale, purchase, or trade of a drug or an offer to sell, purchase, or trade a drug for emergency medical reasons. For purposes of this section, "emergency medical reasons" includes the transfer of legend drugs by a licensed pharmacy to another licensed pharmacy or a practitioner licensed to possess prescription drugs to alleviate a temporary shortage, except that the gross dollar value of the transfers may not exceed five percent of the total legend drug sales revenue of either the transferor or the transferee pharmacy during a consecutive twelve-month period;

(f) the sale, purchase, or trade of a drug, an offer to sell, purchase, or trade a drug, or the dispensing of a drug pursuant to a prescription; or

(g) the sale, purchase, or trade of blood and blood components intended for transfusion.

In addition, the South Carolina Pharmacy Practice Act states in Section 40-42-89(A)(4) states

(4) The board may suspend, revoke, deny, or refuse to renew the permit of wholesale drug distributors other than pharmacies dispensing or distributing drugs or devices directly to patients

| Based on this clarification, going forward, all patient-specific drugs and legend devices must be dispensed by the pharmacy/facility holding the prescription or order with the appropriate licensure/permit that allows for patient specific dispensing.