

25102721D

HOUSE BILL NO. 2023

Offered January 13, 2025

Prefiled January 7, 2025

A BILL to amend the Code of Virginia by adding in Chapter 4 of Title 32.1 an article numbered 9, consisting of a section numbered 32.1-122.23, relating to Independent Pharmacy Support Program established; report; sunset.

Patron—Anthony; Senator: Rouse

Referred to Committee on Health and Human Services

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 4 of Title 32.1 an article numbered 9, consisting of a section numbered 32.1-122.23, as follows:

Article 9.

Independent Pharmacy Support Program.

§ 32.1-122.23. Independent Pharmacy Support Program established.

A. For the purposes of this section:

"Independent pharmacy" means a privately owned and operated pharmacy that is not part of a chain with more than 10 locations and is not publicly traded.

"Rural area" means a geographic area that is classified as rural by the United States Census Bureau.

"Medically underserved area" means a community designated by the U.S. Health Resources and Services Administration as a Medically Underserved Area.

"Program" means the Independent Pharmacy Support Program.

B. The Independent Pharmacy Support Program is hereby established within the Department. The Program shall provide financial assistance to independent pharmacies in rural areas and medically underserved areas to ensure the continued provision of essential health care services. The Program shall fund up to 20 independent pharmacies annually.

C. To qualify for funding under the Program, an independent pharmacy shall:

1. Be licensed in good standing with the Board of Pharmacy;

2. Operate in a rural area or a medically underserved area; and

3. Submit an application demonstrating:

a. Financial need;

b. A detailed plan for the use of funds to sustain or expand operations; and

c. The anticipated impact on community health care outcomes.

Pharmacies may receive funding for up to three consecutive years, contingent upon annual reporting and demonstrated progress toward financial sustainability.

D. Funds awarded under the Program may be used for:

1. Salaries and benefits for pharmacists, pharmacy technicians, and support staff;

2. Rent, utilities, and facility maintenance;

3. Liability and operational insurance;

4. Technology upgrades, including telepharmacy systems and electronic health records;

5. Inventory and supplies, including medications, vaccines, and protective equipment; and

6. Certifications and training to expand service offerings.

E. The Department shall administer the Program, including the review and approval of grant applications, disbursement of funds, and monitoring of compliance with Program requirements. The Department shall establish an internal review panel composed of individuals with expertise in rural health care, pharmacy operations, and public health. No employee of the Department or member of the review panel shall have a financial interest in, or direct association with, any applying pharmacy. Review panel members shall adhere to all applicable Commonwealth ethics and conflict of interest policies.

F. Each pharmacy receiving funds from the Program shall submit an annual report to the Department detailing (i) use of funds, (ii) services delivered or expanded, (iii) community health outcomes achieved, and (iv) progress toward financial sustainability.

G. The Department shall compile an annual report on the implementation of the Program. Such report shall include (i) the number of pharmacies funded, (ii) the geographic distribution of grants, and (iii) health care outcomes and disparities addressed. The Department shall submit its annual report to the Chairmen of the House Committee on Health and Human Services and the Senate Committee on Education and Health by November 1 of each year and shall publish such report on its website.

H. The Program shall be funded through appropriations by the General Assembly. The Program may seek

59 *and accept additional funding from federal grants, private donations, or other nonstate resources, provided*
60 *that such funds do not create conflicts of interest.*

61 *I. The Department shall conduct an evaluation of the Program every two years. Such evaluation shall*
62 *assess (i) health care access improvements in rural and underserved areas, (ii) cost-effectiveness of funded*
63 *initiatives, and (iii) recommendations for scaling or modifying the Program.*

64 *J. This section shall expire on July 1, 2035, unless renewed by an act of the General Assembly based on*
65 *demonstrated Program success and continued need as demonstrated by the review conducted pursuant to*
66 *subsection I.*