

AN ACT concerning regulation.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 5. The Wholesale Drug Distribution Licensing Act is amended by changing Section 56 as follows:

(225 ILCS 120/56)

(Section scheduled to be repealed on January 1, 2028)

Sec. 56. Restrictions on transactions.

(a) A licensee shall receive prescription drug returns or exchanges from a pharmacy or other persons authorized to administer or dispense drugs or a chain pharmacy warehouse pursuant to the terms and conditions of the agreement between the wholesale distributor and the pharmacy or chain pharmacy warehouse. Returns of expired, damaged, recalled, or otherwise non-saleable pharmaceutical products shall be distributed by the receiving wholesale distributor only to either the original manufacturer or a third party returns processor. Returns or exchanges of prescription drugs, saleable or otherwise, including any redistribution by a receiving wholesaler, shall not be subject to the pedigree requirements of Section 57 of this Act, so long as they are exempt from the pedigree requirement of the FDA's currently applicable Prescription Drug Marketing Act guidance. Both licensees under

this Act and pharmacies or other persons authorized to administer or dispense drugs shall be accountable for administering their returns process and ensuring that the aspects of this operation are secure and do not permit the entry of adulterated and counterfeit product.

(b) A manufacturer or wholesale distributor licensed under this Act may furnish prescription drugs only to a person licensed by the appropriate state licensing authorities. Before furnishing prescription drugs to a person not known to the manufacturer or wholesale distributor, the manufacturer or wholesale distributor must affirmatively verify that the person is legally authorized to receive the prescription drugs by contacting the appropriate state licensing authorities.

(c) Prescription drugs furnished by a manufacturer or wholesale distributor licensed under this Act may be delivered only to the business address of a licensee, to the premises listed on a ~~the~~ license, or, if the Department has received notice that a licensee has authorized a health care entity to receive the prescription drugs, to the address of a health care entity, provided that the manufacturer or wholesale distributor may furnish prescription drugs to an authorized person or agent of that person at the premises of the manufacturer or wholesale distributor if:

(1) the identity and authorization of the recipient is properly established; and

(2) this method of receipt is employed only to meet

the immediate needs of a particular patient of the authorized person.

Prescription drugs that are controlled substances furnished by a manufacturer or wholesale distributor licensed under this Act may be delivered only to a registered place of business or professional practice, as required by Section 302 of the Illinois Controlled Substances Act.

For the purposes of this subsection (c), "health care entity" means an entity where medical, dental, or veterinary services are provided by a licensed practitioner and where the licensed practitioner is responsible for the receipt, storage, and use of drugs.

(d) Prescription drugs may be furnished to a hospital pharmacy receiving area, provided that a pharmacist or authorized receiving personnel signs, at the time of delivery, a receipt showing the type and quantity of the prescription drug received. Any discrepancy between the receipt and the type and quantity of the prescription drug actually received shall be reported to the delivering manufacturer or wholesale distributor by the next business day after the delivery to the pharmacy receiving area.

(e) A manufacturer or wholesale distributor licensed under this Act may not accept payment for, or allow the use of, a person or entity's credit to establish an account for the purchase of prescription drugs from any person other than the owner of record, the chief executive officer, or the chief

financial officer listed on the license of a person or entity legally authorized to receive the prescription drugs. Any account established for the purchase of prescription drugs must bear the name of the licensee. This subsection (e) shall not be construed to prohibit a pharmacy or chain pharmacy warehouse from receiving prescription drugs if payment for the prescription drugs is processed through the pharmacy's or chain pharmacy warehouse's contractual drug manufacturer or wholesale distributor.

(Source: P.A. 95-689, eff. 10-29-07.)