Guidance Document: 110-29

Revised: September 26, 2023

Effective: January 4, 2024

Virginia Board of Pharmacy

Physicians Dispensing Drugs

Dispensing by a physician means the providing of drugs to patients to take with them away from the physician's place of practice. Physicians in Virginia may dispense under certain circumstances without being required to obtain a license to dispense from the Board of Pharmacy. Those circumstances include the dispensing of manufacturer's samples appropriately labeled as samples and not for sale, dispensing in a bona fide medical emergency, and dispensing when pharmaceutical services are not otherwise available. Any other type of dispensing by a physician requires the physician to obtain a license from the Board of Pharmacy. The Board offers two types of license to physicians.

Permitted Physicians – Practice as a pharmacy

One type of license, pursuant to Virginia Code § 54.1-3304 authorizes the Board to license a physician to practice pharmacy when good cause is shown that pharmacy services are not otherwise readily available. This type of license is usually granted to physicians working in rural areas where there is not a pharmacy within at least 15 to 20 miles and there are only a handful of these types of licenses still current. With this type of license, a physician may also fill prescriptions of other practitioners.

Physicians Selling Drugs

The second and more common type of dispensing license for physicians is the license for a practitioner of the healing arts to sell controlled substances. The term "controlled substances" in Virginia includes any drug in Schedule I through VI which is all prescription drugs, not just those drugs which are DEA controlled substances. Another confusing term is the term "sell" or "sale." Many physicians question why they are required to have this license if they do not charge a patient for the drugs dispensed. The term "sale" is defined in the Drug Control Act as "gift, barter, or exchange." Therefore, a charge is not required in order for dispensing to become a "sale." With this license a physician must comply with a set of regulations which relate specifically to this license. If there is more than one physician dispensing within a single practice, each dispensing physician must obtain this license. Effective June 4, 2016, a permit from the Board of Pharmacy must also be obtained for the facility from which practitioners of the healing arts dispense controlled substances and it shall meet compliance with the regulations for practitioners of the healing arts to sell controlled substances. Physicians licensed to sell controlled substances may dispense from any facility permitted for this purpose.

While the regulation allows for a pharmacy technician, or trained nurse or trained physician assistant to assist the licensed physician in preparing the drug for dispensing, the physician is responsible for conducting a prospective drug review, offering to counsel the patient, inspecting the prescription product to verify its accuracy in all respects, and placing his initials on the record of sale as certification of the accuracy of, and the responsibility for, the entire transaction. The physician may not delegate the responsibility of dispensing a drug to an advanced practice registered nurse or physician assistant; hence, no drug may be dispensed when a physician is not on-site.

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Within this category of licensure, it is possible to request a **limited-use license**. Pursuant to Regulation 18VAC110-30-20 and the delegation of authority to the Executive Director as set forth in Bylaws of the Board, a physician may apply for a limited-use license, when the scope, degree or type of services provided to the patient is of a limited nature. Under a limited-use license, a waiver of the square footage requirement for the controlled substances selling and storage area may be provided. Additionally, a waiver of the security system may be provided when storing and selling multiple strengths and formulations of no more than five different topical Schedule VI drugs intended for cosmetic use.

Limited-use license for an advanced practice registered nurse or physician assistant

The Board may also issue a limited-use license for the purpose of dispensing Schedule VI controlled substances, excluding the combination of misoprostol and methotrexate, and hypodermic syringes and needles for the administration of prescribed controlled substances to an advanced practice registered nurse or a physician assistant, provided that such limited-use licensee is practicing at a nonprofit facility. Such facility shall obtain a limited-use permit from the Board and comply with regulations for such a permit. The term "non-profit" is defined in the Virginia Tax Code, so those entities satisfying that definition would be recognized as non-profit for the purpose of issuing such a limited-use license.

There is one other exception to the pharmacy act which allows physicians acting on behalf of the state or a local health department to dispense without having to obtain licensure from the Board of Pharmacy. It has been interpreted that this authority can be delegated to other persons authorized to prescribe within the health department system, such as advanced practice registered nurses, since there is no direct prohibition against such delegation, as is the case with the physician selling drugs license.

Statutes:

Va. Code § 54.1-3301

Va. Code § 54.1-3302

Va. Code § 54.1-3304

Va. Code § 54.1-3304.1

Va. Code § 54.1-2914

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