



# Newfoundland and Labrador Pharmacy Board

## Policy

### Change in Pharmacy Ownership

As of January 2019

#### 1) Introduction

In accordance with provincial legislation, for pharmacy ownership changes, the existing pharmacy licence must be terminated and a new pharmacy licence issued.

NLPB By-law 78 states that, not less than 30 days before acquiring an existing pharmacy, a corporation, partnership or individual must apply to the board for a new pharmacy licence. Since the pharmacy licence for the operation of a pharmacy is held by the pharmacist-in-charge, pharmacists-in-charge must be involved in the processes for opening and closing a pharmacy. When a pharmacy ceases to operate, there are also a number of duties for which the pharmacist-in-charge of the selling pharmacy is responsible, in accordance with section 30 of the *Pharmacy Act, 2012* and section 12 of the *Pharmacy Regulations, 2014*.

#### 2) Requirements

- a) The pharmacist-in-charge and owners of the “selling pharmacy”, and the proposed pharmacist-in-charge and owners acquiring the pharmacy must jointly complete an *Application for a Change in Pharmacy Ownership* and submit the application to NLPB **at least 30 days prior to the expected ownership change**. All parties will be notified once the application is reviewed and approved.
- b) **The pharmacist-in-charge of the selling pharmacy should note:**
  - i) Upon approval of the *Application for a Change in Pharmacy Ownership*, patients must be notified of the pharmacy’s intention to change ownership. The pharmacy must provide patients with sufficient information about access to their prescription records and continuing care under the new pharmacy ownership, and facilitate the transfer of eligible prescriptions if requested by the patient.
  - ii) It is recommended that the selling pharmacy establish an agreement with the acquiring pharmacy whereby the owners and pharmacist-in-charge acquiring the pharmacy agree to maintain the newly-acquired computerized and physical patient records in a confidential manner and not access these records unless/until a patient so requests. In addition, physical and computerized patient records must be retained in accordance with the requirements outlined in the *Standards of Pharmacy Operation - Community Pharmacy*.
  - iii) **Record Keeping for the Disposition of Controlled Substances:**
    - Particular attention must be given to retaining the selling pharmacy’s records related to controlled substances, since proper records of purchase, sale, and disposal must be maintained for a minimum of two years.
    - The selling pharmacy’s pharmacist-in-charge must reconcile the controlled substances inventory before the change in ownership occurs. Any unreconciled discrepancies must be appropriately reported to the Government of Canada Office of Controlled Substances (OCS) and NLPB **prior to the changeover**.
    - A copy of the reconciled inventory of narcotics, controlled drugs and benzodiazepines, signed by both the selling and acquiring pharmacist-in-charge, must be retained in the acquiring pharmacy’s records. OCS must be informed of the transfer of inventory within ten (10) days of the transaction date, including the following information:

- Inventory list of all controlled substances transferred to the new pharmacist-in-charge (name, strength, quantity, and date of inventory and date of transfer);
- Name of the selling pharmacy;
- Name of the acquiring pharmacy (if changed); and
- Signature and registration number of both the selling and acquiring pharmacists-in-charge

This information should be sent to OCS by email to [hc.compliance-conformite.sc@canada.ca](mailto:hc.compliance-conformite.sc@canada.ca). Other contact information is available on the OCS website: <https://www.canada.ca/fr/sante-canada/organisation/contactez-nous/bureau-substances-controlées.html>.

- iv) If the change of ownership is also associated with a change in the operating name of the pharmacy, the pharmacist-in-charge of the selling pharmacy must ensure that all interior and exterior signage with the pharmacy's trading name is removed from the premises at the time of closure (This also extends to removal of receipts, advertising, packaging, etc. that include the trading name of the pharmacy).
  - v) The pharmacy licence for the selling pharmacy must be returned to NLPB by the effective date of the ownership change.
- c) **The pharmacist-charge of the new pharmacy should note:**
- i) Before applying for a new pharmacy licence (through completion of the relevant section of the *Application for a Change in Pharmacy Ownership*), the pharmacist-in-charge and new owners should review the following:
    - Sections 23, 25, 27 and 28 of the *Pharmacy Act, 2012*
    - Sections 10-12 of the *Pharmacy Regulations, 2014*
    - Sections 78-83 of the *NLPB Bylaws*
    - The *NLPB Standards of Pharmacy Operation – Community Pharmacy*
    - All NLPB Standards of Practice
  - ii) The *Application for a Change in Pharmacy Ownership* will not be processed unless the proposed pharmacist-in-charge is authorized by NLPB (Please refer to the NLPB Interpretation Guide - *Requirements for Registration as a Pharmacist-in-Charge* and the related *Application for Authorization to be Designated Pharmacist-in-Charge*).
  - iii) The *Application for a Change in Pharmacy Ownership* will not be processed until the fees associated with the new pharmacy application are received. Application fees are non-refundable.
  - iv) If the pharmacy requires additional authorizations for services such as opioid agonist maintenance treatment, operation as a lock and leave pharmacy, or central fill, the necessary applications should be submitted at the time of the *Application for a Change in Pharmacy Ownership*.

**PLEASE NOTE:** This is required even if the selling pharmacy previously had these authorizations in place.

- vi) The pharmacist-in-charge should contact the Newfoundland and Labrador Centre for Health Information (NLCHI) at the earliest opportunity regarding the Pharmacy Network connection. The connection to the electronic health record must not be disrupted during the ownership change process.

- vii) A pharmacy licence number will be provided to the pharmacist-in-charge two weeks prior to opening.
- viii) NLPB does not proactively inform third party payers that an *Application for a Change in Pharmacy Ownership* has been received. However, NLPB will verify receipt of an application if an agent from a third party payer contacts the Board as part of their provider agreement validation process.
- ix) On the proposed opening date, NLPB will contact the pharmacist-in-charge to confirm that the acquisition was completed. Once confirmed, the pharmacy will be added to the public register.

**PLEASE NOTE:** NLPB **will not** add the pharmacy to the public register (and therefore, the pharmacy will not be able to bill third parties) without this confirmation from the pharmacist-in-charge. If the pharmacist-in-charge has not heard from NLPB before they are ready to open, he or she should contact the NLPB office to initiate this process.

- x) A pharmacy licence will be sent by mail to the pharmacist-in-charge, and must be posted in public view in or near the dispensary.
- xi) The pharmacist-in-charge of the newly acquired pharmacy must submit a completed *Community Pharmacy Self-Assessment Form* to NLPB within one month of the new pharmacy licence being issued. The pharmacy may be subject to a practice site assessment following the acquisition, at the discretion of NLPB. Pharmacists-in-charge and pharmacy owners are expected to address non-compliance with regulatory standards (identified through the self-assessment or on-site assessment) within a timeframe satisfactory to the Board.