



December 1, 2025

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Via Email: [PharmacyRulemaking@dca.ca.gov](mailto:PharmacyRulemaking@dca.ca.gov)

**Re: Comments on Proposed Amendments to 16 CCR § 1707.4 - Central Fill Pharmacy Operations**

Dear Members of the California State Board of Pharmacy:

On behalf of the California Retailers Association (CRA) and California Community Pharmacy Coalition (CCPC), I write to register the following concerns regarding the California State Board of Pharmacy (Board) Proposed Action for Central Fill Pharmacies to add Title 16 CCR § 1707.4.

CRA and CCPC appreciates the Board's ongoing efforts to provide clarity on current law governing pharmacy in California and we thank the Board for including important provisions in the proposed amendments to the Central Fill regulation that allow technology-assisted product verification. These practices have been well-established across the country and allow for enhanced accuracy and speed when dispensing prescriptions.

The Board's commitment to ensuring patient safety while adapting to evolving healthcare delivery models is commendable, and we recognize the important role these regulations play in protecting California consumers.

However, we respectfully submit these comments regarding the proposed amendments to 16 CCR § 1707.4, as we believe the current language may inadvertently restrict patient access to medications and unintentionally undermine innovative pharmacy models that are critical in addressing California's pharmacy desert challenges and meeting patients' needs.

CRA and CCPC respectfully ask the board to review our concerns regarding the proposed amendments to the Central Fill regulation.

## **Primary Concerns**

CRA and CCPC support the Board's intent to provide regulatory clarity for the Central Fill regulation, but we have significant concerns that the proposed rule appears to go beyond clarification to instead impose restrictions that could significantly impact patients' ability to receive medications in a timely manner and create disparities in California's retail pharmacy network, which will impact patient access to care.

Specifically, the proposed definitions of "central fill pharmacy" and "originating pharmacy" would effectively prohibit direct-to-patient central fill models, requiring additional handling steps that unnecessarily increase operational time, place additional administrative burden on pharmacists and technicians, and delay medication delivery to patients.

Further, the proposed amendments to the Central Fill Regulation will result in California's prioritization of out-of-state pharmacies versus California pharmacies. Under the proposed amendments, out-of-state pharmacies would retain the ability to ship prescriptions directly to California patients, while California-licensed central fill pharmacies would face restrictions on providing equivalent direct-to-patient services.

This restriction is particularly concerning given California's ongoing challenges with pharmacy deserts and unforeseen natural disasters that impact continuity of care leading to limited access to pharmacy services for communities, especially those in rural and hard-to-reach areas. Modern central fill models that allow "direct-to-patient" delivery have emerged as an innovative and patient-centered solution to serve patients and their families, regardless of their location, ensuring all Californians have equal access to care.

The proposed rule, as written, would undercut certain pharmacy service delivery models that aim to safely and efficiently serve all Californians equitably.

## **Unintended Consequences**

The Board's proposed Central Fill regulation language would result in several negative unintended consequences that would not benefit the health and welfare of California patients:

1. **Delayed Patient Care & Operational Issues:** Requiring filled prescriptions to return to originating pharmacies before reaching patients adds unnecessary time to the delivery process, potentially delaying critical medications. A core principle of modern logistics and quality improvement is to reduce unnecessary hand-offs. Each additional transfer of a filled prescription—from the central fill back to the originating pharmacy—introduces a new and unnecessary opportunity for potential human error, package loss, or delivery delays. A streamlined, direct-to-patient model, anchored by the technology-assisted verification the Board supports, is arguably safer for patients by eliminating additional

steps.

More specifically, in **Section 1707.4(a)**, the definition of a central fill pharmacy in Section 1707.4(a) limits the operational model to only allow a filled prescription to be sent back to the originating pharmacy. Central fill pharmacies should have the option to dispense and deliver direct to patients. Many patients request that prescriptions be delivered for convenience or because of limited ability to physically come into a pharmacy. Patients that prefer delivery of prescriptions should not be penalized with having to wait longer to have their prescriptions dispensed due to a requirement that filled prescriptions be first sent back to the originating pharmacy. We ask that the board consider a more flexible definition that accounts for patients' dispensing preferences. We request that the Board modify Section 1707.4(a) as follows:

*“For purposes of this section, a central fill pharmacy is defined as a California-licensed pharmacy that, pursuant to a contract or on behalf of a pharmacy under common ownership, prepares and packages prescriptions ~~for another pharmacy to dispense to the patient~~ dispensing direct to patient or the originating pharmacy.”*

*Or alternatively:*

For purposes of this section, a central fill pharmacy is defined as a California licensed pharmacy that, pursuant to a contract or on behalf of a pharmacy under common ownership, prepares and packages prescriptions ~~for another pharmacy to dispense to the patient.~~, to be dispensed to the patient either directly or through another pharmacy.

- 2. Pharmacy Closures and Reduced Patient Access:** As California faces an increasing number of pharmacy closures and unforeseen natural disasters, maintaining operational flexibility for central fill models is essential to ensure continued patient access to care. With this Board's efforts to clarify this law, we respectfully urge that regulations preserve the ability of all central fill operations to innovate and adapt their service delivery methods to meet evolving community needs. The proposed rule creates an unintended disparity in service capabilities.

While out-of-state pharmacies would retain the ability to ship prescriptions directly to California patients, California-licensed central fill pharmacies would face restrictions on providing equivalent direct-to-patient services. This inconsistency may limit options for patients in hard to reach and underserved areas.

More specifically, **Section 1707.4(c)** limits Central Fill Pharmacies to be in-state only. Limiting central fill pharmacy operations to in-state pharmacies appears to be inconsistent with licensure requirements. Section 4112 of the Business and Professions Code recognizes out-of-state pharmacies as nonresident pharmacies and sets forth licensure requirements. The current *Nonresident Pharmacy License Application* lists central fill as a service option to select in Section 4. Type of Pharmacy Services to Be Provided.

With the recent passage of California Board of Pharmacy Sunset review Bill, (AB 1503, Berman), there are further amendments to Section 4112 of the Business and Professions Code that add additional licensure and compliance requirements for nonresident pharmacies while providing the Board additional oversight opportunities. California-licensed nonresident pharmacies should not be excluded from the ability to operate as central fill pharmacies.

CRA requests the Board modify Section 1707.4(c) as follows:

*“A central fill pharmacy ~~located in California and~~ licensed by the Board may process a request...”*

CRA also respectfully requests the Board consider the following amendment to Section *§1707.4 (b)(1)* to allow central fill pharmacies licensed by the Board and located in other states to process refill requests for prescriptions received by California pharmacies.

*(b)(1) A ~~central fill~~ pharmacy that is licensed by the Board, located in California or another state, and ships prescriptions into California and licensed by the Bboard may process a request for ~~refill of a~~ prescription ~~medication~~ received by another pharmacy ~~within this state~~, provided:*

California spans 163,696 square miles and serves nearly 40 million residents. Delivering prescriptions from one California site to distant regions can result in longer transit times than leveraging strategically located facilities in neighboring states such as Nevada or Arizona.<sup>1</sup> Allowing licensed out-of-state central fill pharmacies would:

- Reduce delivery times for rural and remote areas
- Enhance reliability and continuity of care

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<sup>1</sup> 1. World Population Review. “California Population 2025.” *World Population Review*, 2025. <https://worldpopulationreview.com/states/california>. Accessed 10/29/2025

- Support equitable access without compromising safety

Further, Specialty Limited Distribution Drugs (LDDs) are available exclusively through a limited network of pharmacies authorized by the manufacturer. Under this model, allowing a non-resident central fill pharmacy to dispense these medications in situations that improve patient access enhances the efficiency of distribution of these critical therapies by utilizing an established infrastructure capable of providing timely and compliant pharmacy services.

CRA believes that based upon these reasons, the ability for a central fill pharmacy to be located in the state or a neighboring state, providing prescription services into California, can offer faster delivery especially in those hard-to-reach areas of the state, without compromising compliance or patient safety – provided proper regulatory safeguards are in place, which is required of any California licensed pharmacy.

Further, the passage of AB 1503, strengthens the Board’s jurisdiction over nonresident pharmacies, requiring California-licensed PICs, inspection provisions, and increased penalties for violations—addressing prior concerns about oversight.

3. **Impediment to Innovation:** The Board’s proposed rule mirrors a very “traditional” central fill model, where prescription medications must be returned to the originating pharmacy. The Board has commendably embraced standard of care models and innovation to improve access through tele-pharmacy and technology-enabled verification – both of which use technology to improve access. CRA and CCPC ask the Board to apply this same forward-thinking logic to Central Fill. Additionally, the added steps in this model will have negative environmental impacts due to increased transport trips for each prescription.

### **Recommended Revisions**

In addition to the red lines provided above and to honor the spirit of the Board’s proposed rule for the Central Fill regulation in providing clarity while preserving California retail pharmacies' ability to serve patients and communities safely and effectively in California, we recommend revising the proposed language to:

1. **Ensure pharmacies can serve patients in a timely manner from either a CA-licensed "central fill" pharmacy or an “originating pharmacy”** by allowing direct-to-patient delivery with appropriate guardrails in place. This will allow patient choice and align with the Board's objective to serve, not restrict, modern delivery models that have proven to be safe and effective. Furthermore, allow central fill participation from any jurisdiction if the pharmacies hold the appropriate licensure.

2. **Maintain flexibility and safeguards for innovative delivery models that prioritize patient proximity and rapid access to medications.** Allow either the central fill pharmacy or the originating pharmacy to dispense medication to patients, avoiding overly restrictive rules that delay care and promote standard of care ideology.
3. **Expand technology-enabled verification allowances to similar high-volume facilities,** as these technologies are proven to increase accuracy and patient safety above and beyond manual processes, while simultaneously improving efficiency.
4. **Maintain Consistency with Notices to Reduce Compliance Costs and Preserve Patient Care.** We agree with the Board that patients should be provided notice that prescriptions may be filled at a central fill pharmacy, however we suggest that the Board consider modifying Section 1707.4(c)(3) to allow for either a posted notice or one-time written notice. Posting of a notice is consistent with how other required consumer notices are provided to patients (Business & Professions Code Section 4122) and reduces the administrative burden on pharmacies while preventing unnecessary delays in prescription filling for patients.

Further modification to 1707.4(c)(3) is recommended to ensure that patients have clear directions about who to contact if there are questions about the prescription. If a prescription is filled by the central fill pharmacy and provided back to the originating pharmacy for dispensing, there should not be any additional requirement about who to contact since the prescription is being dispensed from the originating pharmacy like any other prescription.

For prescriptions that are filled by a central filled pharmacy and dispensed or delivered directly to a patient, we support the Board's intent to require written information be provided to the patient about the pharmacy to contact with questions. This requirement is also in place in many other states' central fill pharmacy rules. We propose that the Board consider new language for 1707.4(c)(3):

*“The patient is provided with notice that prescriptions may be filled by a central fill pharmacy via a posted sign or one-time written notification by the originating pharmacy.*

*Prescriptions dispensed directly to patients by a central fill pharmacy must provide written information, either on the prescription label or with the prescription container, indicating the pharmacy to contact if the patient has questions about the prescription or medication.”*

5. **Clarification for Accountability in Section 1707.4(c)(5).** Finally, we believe the Board’s intent in the first sentence of Section 1707.4(c)(5) is to ensure accountability by both central fill and originating pharmacies, and we support that. We request a minor modification to be very clear that each pharmacy is responsible for their specific roles in the prescription filling and dispensing process. We ask that the Board consider modifying the first sentence of Section 1707.4(c)(5) as follows:

*“The originating and central fill pharmacies are responsible for their specific roles in ensuring prescriptions are properly filled and dispensed.”*

6. **Allowing the use of unique identifiers.** CRA respectfully requests the following amendment to Section §1707.4 (b)(5) which allows the use of unique identifiers to represent the dispensing pharmacist, the pharmacy that filled the prescription, and the pharmacy that received the prescription.

*(b)(5) Both pharmacies maintain complete and accurate records, including:*

*(A) the name or unique identifier of the pharmacist who filled the prescription;*

*(B) the name or unique identifier of the pharmacy filling the prescription; and*

*(C) the name or unique identifier of the pharmacy that received the prescription.*

This aligns with other state requirements, reduces administrative burden, and supports accurate recordkeeping without costly system changes.

## **Conclusion**

These amendments modernize pharmacy practice, improve patient access to care, and uphold the Board’s commitment to safety and equity. We urge the Board to adopt these changes to ensure Californians receive timely, reliable, and compliant pharmacy services.

CRA believes it is possible to maintain rigorous safety standards and appropriate oversight while allowing for the innovation and flexibility needed to address California's evolving pharmacy desert challenges and ensure patients have timely access to essential medications. This balanced approach will help benefit health and welfare for California residents.

We would welcome the opportunity to discuss these concerns further and work collaboratively toward a solution that serves both regulatory objectives and patient needs.

Lastly, we respectfully request that if the Board makes such significant changes to its central fill requirements, the Board also gives pharmacies ample lead time for implementation. This would allow pharmacies who have been operating off the current rule and past guidance the ability to safely implement new systems, and, if necessary, transition patients from this service, in a safe manner.

Thank you for your consideration of these comments and your continued dedication to serving California consumers.

Sincerely,

A handwritten signature in black ink, appearing to read "Sarah Pollo Moo", with a long horizontal flourish extending to the right.

Sarah Pollo Moo  
Policy Advocate  
California Retailers Association

cc: Seung Oh, PharmD, President, Board of Pharmacy; Anne Sodergren, Executive Officer, Board of Pharmacy; Julie Ansel, Deputy Executive Officer