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Georgia Becomes Ninth State to Pass Legislation Regulating Pain Management Clinics, in Attempt to Stop "Pill Mills"

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On May 2, Georgia Governor Nathan Deal signed Georgia House Bill 178, making Georgia the ninth U.S. state to pass legislation regulating pain management clinics. The new law, titled the "Georgia Pain Management Clinic Act" (Act) became effective on July 1, 2013 and aims to follow the trend that has started in other states, such as Florida and Tennessee, to crack down on illicit sales of prescription drugs such as oxycodone or hydrocodone by what is commonly referred to as "Pill Mills," rather than legitimate medical facilities.

Under the Act, the Georgia Composite Medical Board is granted the power to "license and regulate pain management clinics," and "establish minimum standards for prescribing controlled substances for pain management." With a few exceptions for pre-existing facilities, the Act also requires that all pain management clinics be owned exclusively by Georgia-licensed physicians and that no person with a felony conviction have any type of ownership interest in such clinics (including owners of pre-existing facilities). Additionally, the Act provides that all pain management clinics that dispense controlled substances must be registered with the Georgia State Board of Pharmacy.

The Act defines a "pain management clinic" to be "a medical practice advertising treatment of pain or utilizing pain in the name of the clinic or a medical practice or clinic with greater than 50 percent of its annual patient population being treated for chronic pain for nonterminal conditions by the use of Schedule II or III controlled substances." There are carve-outs for facilities owned or operated by licensed hospitals, health systems, ambulatory surgical centers, skilled nursing facilities, hospice or other licensed home health agencies. Any person who operates a pain management clinic in Georgia without a license is guilty of a felony.

If you have questions about how this legislation may affect your company, please contact a member of the Firm's Health Law Group.